Daily Report

East Europe

FBIS-EEU-88-016
Tuesday
26 January 1988

Daily Report
East Europe

FBIS-EEU-88-016 *26 January 1988*

CONTENTS

ALBANIA

Bulgarian Deputy Minister Ganev Visits 1
Representation Discussed 1
Alia Greets Indian President on National Day 1
Carcani Greets Hawke on National Day 1
SFRY Press Cited on Changes in Albanian Names *[DRITA 17 Jan]* 1
Drought Requires Electricity Savings *[ZERI I POPULLIT 17 Jan]* 2

BULGARIA

Albanian Ties Raised to Ambassadorial Level 3
State Council Fetes Romania's Ceausescu 3
Colombian Foreign Minister Arrives For Talks 3
Welcomed by Mladenov 3
Honored at Official Dinner 3
Mozambican Frelimo Delegation Visits *[RABOTNICHESKO DELO 22 Jan]* 3
Crew Rescues Turkish Sailors Near Sicily 3
BZNS-BCP Cooperation in Election Campaign 4
Agro-Industrial Union Discusses Restructuring 4

CZECHOSLOVAKIA

FRG Chancellor Kohl Arrives on Official Visit 5
Welcomed by Strougal *[Hamburg DPA]* 5
CTK Reports Arrival, Welcome 5
New U.S. Peace Strategy Based on Old Concepts *[RUDE PRAVO 26 Jan]* 5
More on Support for USSR Mideast Initiative *[RUDE PRAVO 23 Jan]* 5
Friendship Association Group Leaves for USSR 6
Polish Daily Cited on Stolen Soviet Jade Room *[RUDE PRAVO 23 Jan]* 6
Ceausescu Awarded CSSR's Highest Decoration 6
Hungary's Marjai Ends Visit, Departs 6
Haman Receives Cuban Deputy Premier 6
Bilak Continues Visit to Syria 25 Jan 7
Meets Party Leaders 7
Bilak Meets Al-Zu'bi, Mashariqah 7
Thousands Sign Religious Rights Petition *[Vienna DIE PRESSE 23-24 Jan]* 7
Lucan Receives National Church Officials *[RUDE PRAVO 20 Jan]* 8
Jakes, Regional Party Secretaries Meet 8

GERMAN DEMOCRATIC REPUBLIC

Further on Arrests of Treason Suspects 9
Proceedings Begin 9
More Treason Suspects Arrested 9
Government Spokesman on Further Arrests *[Hamburg DPA]* 9
Culture Minister on Arrests *[Vienna]* 9
Meyer on FDJ Group Visit Cancellation *[Hamburg DPA]* 10
W. Berlin Letter of Support for Opposition 10
Further on Honecker Talks With Papandreou *[Athens]* 10
Fischer Receives Envoys From Group of Six 11
Conference on Middle East Favored 11
SED Official Receives Mongolian Minister *[NEUES DEUTSCHLAND 23-24 Jan]* 11
Honecker Confers Karl Marx Order on Ceausescu 12

'Arafat Thanks Honecker for Congratulations *[NEUES DEUTSCHLAND 23-24 Jan]* 12
Khamtai Siphandon Greeted by GDR Counterpart *[Vientiane]* 13
Train Crash Takes Six Lives *[NEUES DEUTSCHLAND 21 Jan]* 13
Fischer Praises FDJ Friendship Brigades *[NEUES DEUTSCHLAND 22 Jan]* 13
Tisch Addresses FDGB Legal Conference *[NEUES DEUTSCHLAND 22 Jan]* 13
Boehme, Felfe Attend Party Aktiv Meeting *[NEUES DEUTSCHLAND 23-24 Jan]* 14
Leaders' Public Appearances 15-21 January *[NEUES DEUTSCHLAND 15-21 Jan]* 14

HUNGARY

Marjai Receives Visiting Cuban Deputy Premier 16
Szuros Receives Austrian Society Official 16
SFRY SAWPY President Speaks in Budapest 16
MTI Reports Rising Unemployment Figures 16
Employment of Newly Graduated Youth Assessed *[MAGYAR HIRLAP 23 Jan]* 17
Commercial Bank Activities Extended *[MAGYAR HIRLAP 20 Jan]* 18

POLAND

Company Allegedly Financing Terror Shut Down *[AFP]* 20
Solidarity Leader Jailed for 18 Months *[AFP]* 20
Iran's Foreign Minister Arrives For Visit *[Tehran IRNA]* 20
Orzechowski Receives Nicaraguan Ambassador 20
FRG Official Remarks on Border Issue 21
Jaruzelski Meets Blind Cooperative Delegation 21
Jaruzelski Meets Economic Society Activists 21
Sejm Report on Budget, Fiscal Plan *[TRYBUNA LUDU 22 Jan]* 22
Economist Discusses Management Reform Aspects *[SZTANDAR LUDU 28-29 Nov]* 25

ROMANIA

Further on Ceausescu Birthday Celebration 28
'Decree-Decision' on Award 28
Ceausescu Addresses Gathering 28
USSR Awards Ceausescu Order of Lenin 33
Ceausescu Receives Diplomatic Corps Greetings 34
Addresses Diplomats 35

YUGOSLAVIA

West German Paper On Yugoslav Nuclear Efforts *[Hamburg DER SPIEGEL 25 Jan]* 36
FEC Discusses Role of Religious Communities *[BORBA 21 Jan]* 36
Defense Commission on Constitutional Change *[POLITIKA 21 Jan]* 36
SAWPY Backs Appointment to Foreign Ministry 37
Accountants Conclude Agrokomerc Audit *[BORBA 20 Jan]* 37
Paper Criticized for Stands on Slovenia *[BORBA 18 Jan]* 38
Price Increases on Coffee, Medicine Announced 40
Stipe Suvar Speaks on Economic Stagnation 40
Bihac Presidium Discusses Economic Situation 43
Krunic, Others Attend Commemorative Meeting 43
Two Earthquakes Registered in SFRY 43
TANJUG Notes Reagan's State of Union Address 43
Mikulic Meets Italian Delegation From Istria 44
Mojsov Sends Message to Iranian President 45
Loncar Holds Talks with Iran's Velayati 45

Bulgarian Deputy Minister Ganev Visits

AU260938 Tirana ATA in English
0910 GMT 26 Jan 88

[Text] Tirana, January 26 (ATA)—The Bulgarian Vice Minister for Foreign Affairs, Ivan Ganev, made a brief official visit to Tirana these days. [sentence as received] He conducted talks and exchanged opinions with the Vice Minister of Foreign Affairs, Sokrat Plaka, about the meeting of the ministers of foreign affairs of the Balkan states, which will be held in Belgrade on February 24-26 this year. In this meeting, it was also spoken on the development of bilateral positions.

The Bulgarian vice minister of foreign affairs was received also by the minister of foreign affairs, Reis Malile.

Representation Discussed

AU260940 Tirana ATA in English
0915 GMT 26 Jan 88

[Text] Tirana, January 26 (ATA)—During the visit of the Bulgarian vice minister of Foreign Affairs, Ivan Ganev, to Albania, on the proposal of the Bulgarian side, there was discussed the matter of raising the level of the diplomatic mutual representation. The Bulgarian vice minister pointed out that his government considers as unworthy the motivation through which the Bulgarian side sought the departure from Sofia of the Albanian diplomatic staff in 1968. As a result it was agreed that the level of diplomatic representation between the People's Socialist Republic of Albania and the People's Republic of Bulgaria be raised from the charge d'affaires, that has been up to now, to the ambassadorial level.

Alia Greets Indian President on National Day

AU251942 Tirana Domestic Service in Albanian
1900 GMT 25 Jan 88

[Text] Ramiz Alia, president of the Presidium of the People's Assembly of the People's Socialist Republic of Albania sent the following greetings telegram to Iyer Ramaswamy Venkataraman, president of the Republic of India.

Your national day gives me the pleasure, in the name of the Albanian people, the Presidium of the People's Assembly, and in my own name, to send you cordial greetings, and to express my best wishes for the prosperity of the Indian people and the progress of the country.

I express the wish that the relations between our countries will also develop in the future.

Carcani Greets Hawke on National Day

AU251943 Tirana Domestic Service in Albanian
1900 GMT 25 Jan 88

[Text] Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania, sent this greetings telegram to Robert Hawke, prime minister of Australia.

On the occasion of Australia's national day, it is a pleasure for me to send you and the Australian people warm greetings and best wishes for progress and prosperity.

SFRY Press Cited on Changes in Albanian Names

AU251625 Tirana DRITA in Albanian
17 Jan 88 p 16

["The Croatian Magazine DANAS Writes: 'A Form of Assimilation of Albanian Citizens'"]

[Text] The Croatian magazine DANAS, in a recent article entitled "A Form of Assimilation," has written on the attacks being made in Montenegro against Albanians who wish to adopt the surnames which are theirs historically, and to remove the suffix "-ic" which has been compulsorily attached. The magazine writes:

Titograd Television and certain newspapers have been waging a daily and quite unreasonable campaign against the Albanians of Ulcinj who are increasingly adopting their true surnames, by removing the Slavic "-ic" which under certain historical circumstances has often been attached to their surnames, even by not very humane methods. It must be remembered that Karadjordjevic Yugoslavia, between 1918 and 1941, by decrees and other similar methods, added "-ic" to the surnames of Albanians and Macedonians. The Yugoslav revolution enabled the Macedonians and Albanians to restore their natural first names and surnames, just as they naturally wished. We know that the Albanians reverted to their own names en masse, but from 1948 on, following the directives of the UDBA [abbreviation of former title of Yugoslav Secretariat for Internal Affairs] and others, they were all obliged to adopt the "-ic" again, and in this way, according to the thinking of administrators, became more Yugosiav.

Why then, asks DANAS, should it bother us that the Albanians in Montenegro wish to finally answer to the surnames they had until 1918? Are we still not able to see that this artificial addition of "-ic" to the Albanians suggests a Montenegrin and Serbian desire for a kind of assimilation of the Albanians? No normal person thinks that an Albanian, by reverting to his own name, becomes something else, or that this step conceals anything but a natural desire to be what he has been for centuries. For

example, my friend from Tuz, Ibrahim Dreshaj, a veteran of 1941, would be no less Albanian and no more Yugoslav if they called him Ibrahim Dresevic from now on.

DANAS reports that 1191 applications for a change of first name or surname have been submitted in the last 10 years, mostly by young people of Albanian nationality. The applications request the removal of the suffix "-vic" or "-ic", and the addition of "-aj" or some other Albanian suffix.

To stop first name and surname changes, the Montenegrin Assembly has passed another law, under which first name and surname can only be changed once, thus legitimizing the earlier imposition of the Slavic "-ic" upon Albanian surnames.

Drought Requires Electricity Savings

AU251624 Tirana ZERI I POPULLIT in Albanian 17 Jan 88 p 1

[Editorial: "Save, Save Electricity Everywhere"]

[Excerpts] The year 1988 began, and is continuing, in conditions of exceptional drought. In concrete terms, this means that the volume of river water during these days of January is several times lower than has been the average over many years. This prolonged drought has also created an exceptional situation in the hydroelectric system.

The task of party bodies and organizations is as always, but all the more in such cases of natural obstacles, to mobilize communists, cadres, and working people to cope with these conditions to prevent them affecting the fulfillment of the major tasks that lie ahead of us in every sector of the economy and the life of the nation. How can we do this?

The sole, familiar, and tested way is: saving, saving, and as much electricity saving as possible everywhere. [passage omitted]

The work of the party and its instruments must make this clear in every center of labor and production, and every collective. Party organizations must demand that managers of organs of the state and economy perform the duties that face them with rigorous discipline. This is particularly necessary in some districts where it is clear that norms of electricity use are being exceeded despite the drought. Here are some data from the first 2 weeks: Shkoder District has exceeded its electricity consumption by 903,000 kilowatt hours; Mat by 449,000; Tropoje by 218,000; Fier by 165,000; Diber by 131,000; Gjirokaster by 95,000; Mirdite by 65,000, etc, while the districts of Tirana, Elbasan, and Vlore have economized. [passage omitted]

Albanian Ties Raised to Ambassadorial Level

AU252052 Sofia BTA in English
1959 GMT 25 Jan 88

[Text] Tirana, January 25 (BTA)—Between the governments of Bulgaria and Albania a mutual agreement was reached here today for raising the diplomatic relations between the two countries to the rank of ambassador. Consultations were held in Tirana between representatives of the Ministry of Foreign Affairs of Bulgaria and the Ministry of Foreign Affairs of Albania, headed by the deputy ministers of foreign affairs Mr Ivan Ganev and Mr Sokrat Plaka. Opinions were exchanged on the future development of the bilateral relations in the economic, political and cultural sphere, on the forthcoming meeting of the ministers of foreign affairs of the Balkan states in Belgrade and on other questions of mutual interest. Mr Ivan Ganev was received by Mr Reis Malile, minister of foreign affairs of Albania.

State Council Fetes Romania's Ceausescu

AU252017 Sofia BTA in English
1941 GMT 25 Jan 88

[Text] Sofia, January 25 (BTA)—Bulgaria's State Council awarded Mr Nicolae Ceausescu, secretary general of the Romanian Communist Party and president of Romania, with the "13 Centuries Bulgaria" Order with ribbon for his contribution to the development and deepening of the friendship and cooperation between the Bulgarian Communist Party and the Romanian Communist Party, between Bulgaria and Romania, to the work of socialism, peace and international cooperation, and in connection with his 70th anniversary [sentence as received]. Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, has sent a cable of greetings to Mr Nicolae Ceausescu.

Colombian Foreign Minister Arrives For Talks

Welcomed by Mladenov

AU252003 Sofia BTA in English
1833 GMT 25 Jan 88

[Text] Sofia, January 25 (BTA)—Colombia is willing to consolidate its diplomatic and trade-economic relations with Bulgaria. Mr Julio Londono Paredes, minister of foreign affairs of Colombia, who arrived on an official friendly visit to this country today, said before journalists that Colombia and Bulgaria have experience in the solution of socio-economic problems which deserves to be exchanged. Pointing out Colombia's efforts for the strengthening of peace in Latin and Central America, the guest assessed highly Bulgaria's positions on the political and economic problems in the world.

The leader of the Colombian diplomacy was met by Mr Petur Mladenov, minister of foreign affairs of Bulgaria, at whose invitation is the visit. The official talks between Mr Petur Mladenov and Mr Julio Londono Paredes, started later in the day.

Honored at Official Dinner

AU252057 Sofia Domestic Service in Bulgarian
2030 GMT 25 Jan 88

[Text] Petur Mladenov, minister of foreign affairs, and his wife gave an official dinner at the Vitosha-New Otani hotel in honor of Julio Londono Paredes, minister of foreign affairs of Colombia, and his wife.

Comrades Milko Balev, Petur Tanchev, and Andrey Lukanov attended the dinner. The two ministers proposed toasts.

Mozambican Frelimo Delegation Visits

AU251819 Sofia RABOTNICHESKO DELO in Bulgarian 22 Jan 88 p 8

[Text] At the invitation of the BCP Central Committee, a delegation of the Central Committee of the Mozambique Liberation Front, Frelimo, led by Ana Margarida, head of the Central Committee Industrial Department, has been visiting Bulgaria since 10 January.

The delegation was received by Grisha Filipov, member of the BCP Central Committee Politburo and Central Committee secretary, and Dimitur Stanishev, Central Committee secretary. They briefed the delegation on the restructuring which is taking place in Bulgaria, the preparations for the BCP National Conference, and our country's peace-loving foreign policy. Readiness to further expand cooperation between the BCP and Frelimo was expressed.

The guests told about the struggle of Frelimo and the Mozambican people against the aggressive acts of the regime of apartheid and the bands of Mozambique National Resistance which it supports, as well as about the measures for the economic restoration of Mozambique, which are being implemented.

The delegation was acquainted with the work of the party and state organs and organizations in Sofia City and in Plovdiv and Khaskovo Oblasts.

Crew Rescues Turkish Sailors Near Sicily

AU251237 Sofia BTA in English
1058 GMT 25 Jan 88

[Text] Sofia, January 25 (BTA)—Seven Turkish sailors were rescued near the Sicilian coast by the crew of the Bulgarian "Burgas" container carrier.

On 24 January at 5:30 a.m. the crew of the Bulgarian ship sailing on its regular route in the Ionian Sea noticed the Turkish ship "Celitrans" carrying lead concentrate in distress. In spite of the exceptionally adverse weather conditions—strong northwestern headwind and a high sea, the Bulgarian sailors succeeded to take on board the "Burgas" ship six people of the crew of the Turkish ship who were in a life-boat. Soon after that the life-boat crashed. With great effort the Bulgarian sailors also

succeeded in rescuing the captain of the Turkish ship who had remained on board. He was pulled out with a special rope hurled on board his ship because the high waves made it impossible for the two vessels to approach each other.

Another four Turkish sailors were taken by the Romanian ship "Lupeni" which was also nearby.

BZNS-BCP Cooperation in Election Campaign

AU252026 Sofia Domestic Service in Bulgarian 1830 GMT 25 Jan 88

[Text] The accountability-election conferences and meetings of the Bulgarian Agrarian Union [BZNS] organizations ended. Petur Tanchev, BZNS secretary and first deputy chairman of the State Council, secretaries and members of the BZNS Permanent Board, as well as members of the BZNS Administrative Council attended these meetings.

Secretaries of BCP oblast committees and first secretaries of BCP municipal committees attended these meetings and conferences as guests of the BZNS.

The accountability-election campaign was distinguished by an expression of great political and creative maturity, self-awareness, and persevering efforts on behalf of the united agrarians and demonstrated their loyalty to the BCP's general April line of policy, as well as their devotion to Bulgarian-Soviet friendship.

During the election campaign the united agrarians expressed their full support for the strategic line of the BCP and [words indistinct].

During the current accountability-election campaign one of the main subjects was the joint work of the BZNS organizations and united agrarians with BCP organizations and Communists.

The accountability-election meetings and conferences, which were the first following the 35th BZNS Congress, categorically stressed that the BZNS and all united agrarians are fully resolved, together with the Communists, to make their optimal contribution to the struggle to implement of the decisions that the BCP National Conference will adopt and to stand in the front ranks during the fulfillment and overfulfillment of the 1988 plan and of the Ninth 5-Year Plan period.

Agro-Industrial Union Discusses Restructuring

AU251510 Sofia BTA in English 1430 GMT 25 Jan 88

["Restructuring and Agriculture"—BTA headline]]

[Text] Sofia, January 25 (BTA)—At a general meeting of the Central Council of the National Agro-Industrial Union Association, its president, Mr Zhelyo Dobrev, stated that in response to the latest decisions of the Politburo of the BCP CC and the country's government it is now necessary to rapidly overcome the tendency toward stagnancy and to sharply increase the output of agriculture.

He said that the main task of the agricultural workers will be to increase the production and labor efficiency and to guarantee the self-financing of the agricultural organizations. The philosophy of restructuring is to create a new type of organization of production, the basic unit in which is the agricultural team of workers. The agro-industrial complexes on their part will be the economic associations of the teams.

The new organizational and production structures, the functions, rights and responsibilities of the teams, the complexes and the National Agro-Industrial Union have been concretized in the model rules approved by the general meeting. The meeting was preceded by a broad discussion organized by the KOOPERATIVNO SELO newspaper.

The president of the National Agro-Industrial Union announced that the agricultural production is being restructured in view of its being directed toward the strategic fields such as the growing of grain, technical crops, early fruits and vegetables. The success of this will be guaranteed by the rapid technological updating of the industry and the application of the achievements of techno-scientific progress.

The association has set itself the aim of achieving an increase of production by 34.5 per cent in 1990, compared to the results for 1985. Labor efficiency is expected to grow by 88.8 per cent over the same period.

The general meeting approved 313 basic and 98 additional members of the association.

FRG Chancellor Kohl Arrives on Official Visit

Welcomed by Strougal

LD260921 Hamburg DPA in German
0906 GMT 26 Jan 88

[Text] Prague (DPA)—Federal Chancellor Helmut Kohl arrived in Prague today for a visit. He was welcomed at the airport by his host, Prime Minister Lubomir Strougal. Apart fom Strougal, Kohl, as the first western head of government, will also hold talks with the new CPCZ general secretary, Milos Jakes, State President Gustav Husak, and the Prague archbishop, Cardinal Frantisek Tomasek. In a conversation with dissidents' representatives he will learn about human rights issues in the CSSR.

Among the topics for discussion with the Czechoslovak leadership are bilateral relations, economic questions, greater flexibility in cross-border traffic, environmental protection issues, and general European security questions.

CTK Reports Arrival, Welcome

LD261017 Prague CTK in English
0937 GMT 26 Jan 88

[Text] Prague Jan 26 (CTK)—Chancellor of the Federal Republic of Germany Helmut Kohl arrived here today on an official visit at the invitation of the Czechoslovak Government.

He was met at Ruzyne airport by Premier Lubomir Strougal and other officials.

New U.S. Peace Strategy Based on Old Concepts

LD261005 Prague CTK in English
0805 GMT 26 Jan 88

[Text] Prague, Jan 26 (CTK)—The new strategy of the United States brings hardly anything new—it remains to be based on the conception of a first, disarming strike and ch ging are only the means to achieve it, RUDE PRA wrote today.

Recalling that a special U.S. presidential commission, headed by Under Secretary of Defence for Policy Fred C. Ikle, has now completed its 15-month work on the preparation of a new U.S. strategy for the future 20 years, the daily said that "the roots of the political thinking of the commission's members... still firmly rest in the 1950's."

"The conception of Ikle's commission is in its consequences no less unrealistic and dangerous than the previous strategies aimed at gaining superiority and at dictating their will to others, "The daily said and added that the new strategy remains to be characterized by "disrespect for the justified interests of the international community, objective interdependence and integrity of the world."

The process witnessed in foreign-political thinking between the Soviet-U.S. summit meetings in Geneva and Washington is obviously not reflected in the plans of the Pentagon's commission which is in contrast with the fact that ever more people in the United States understand the necessity to accept the existing realities and seek new approaches, the daily said.

"The Soviet Union leaves hardly anybody in doubt today about its peace strategy. However, a more secure world cannot be ensured by only one side. The effort and responsibility must be shared," the daily stressed.

More on Support for USSR Mideast Initiative

AU251836 Prague RUDE PRAVO in Czech
23 Jan 88 p 1

[CTK report: For an Immediate Political Solution; Declaration of the Spokesman of the CSSR Ministry of Foreign Affairs on the New Soviet Initiative in the Middle East"]

[Text] Prague (CTK)—Developments in the Middle East, where Israeli authorities are striving to suppress the Palestinian people's just resistance to occupation by violent means, continue to cause the world public grave concern. The popular uprising of the Palestinian population in the occupied territories (it has entered its second month) has become a clear-cut program of its political will to put an end to the 20 years of Israeli occupation and to assert its inalienable national rights. This was declared by Dusan Rovensky, spokesman of the CSSR Ministry of Foreign Affairs, on Friday [22 January].

Israel's stubborn refusal to agree to a political solution to the Palestinian issue within the framework of a plenipotentiary [plnopravni] Middle East conference (demanded by the overwhelming majority of states in the world) is dangerously escalating tension in the area and is having a negative affect on international relations.

The development of events in the occupied territories has reached the stage where an immediate political solution is imperative in order to prevent the worst. An increasing number of countries in the world are beginning to realize this.

A realistic way out of this dangerous situation is shown by the Soviet proposal contained in the letter of 19 January 1988, from Eduard Shevardnadze, USSR minister of foreign affairs, to Perez de Cuellar, UN secretary general; the Czechoslovak and the world public have been acquainted with it.

The CSSR fully endorses the new Soviet initiative on an immediate solution of the Middle East crisis. We are joining the call to start immediate consultations on this issue within the framework of the UN Security Council and to look for effective practical steps which would make it possible to speedily convene a plenipotentiary

conference on the Middle East—a conference which is the only realistic road toward achieving a just, comprehensive settlement of the situation in that area.

We believe that the Soviet proposal will encounter the energetic and effective support of the entire international community, and that this common effort will successfully overcome Israel's inflexible negative stand which is blocking the process of peaceful settlement in the Middle East.

We would welcome the speedy convening of the UN Security Council (as the first step toward realizing the Soviet proposal), which should search for specific, practical possibilities of resolving the situation in the occupied territories and reaching an overall settlement in the Middle East via the collective effort of all its members, the spokesman of the CSSR Ministry of Foreign Affairs declared.

Friendship Association Group Leaves for USSR

LD251724 Prague Domestic Service in Czech 1500 GMT 25 Jan 88

[Text] A delegation of the Central Committee of the Czechoslovak-Soviet Friendship Association, headed by its chairman, Zdenek Horeni, member of the secretariat of the CPCZ Central Committee, editor in chief of RUDE PRAVO, left today by air for the Soviet Union. The delegation will take part in the extended session of the all-union leadership of the Soviet-Czechoslovak Friendship Society to mark the 30th anniversary of its foundation. It will also visit the Ukrainian SSR and will meet our workers on the progress gas pipeline.

Polish Daily Cited on Stolen Soviet Jade Room

AU252033 Prague RUDE PRAVO in Czech 23 Jan 88 p 2

["(KOJ)"-signed report: "About the Jade Room Again?"]

[Text] Prague (From our reporter)—This week's [Warsaw] SLOWO POWSZECHNE carried a report (which also quoted other sources) saying that the famous Jade Room, stolen by the Hitlerites from Pushkino Castle near Leningrad in 1942, is allegedly to be found on Czechoslovak territory. The paper claimed that the CSSR Ministry of Interior has certain documents about this. A special shipment was to have been brought to the town of Tynec on 1 May 1945, under the supervision of war criminal Otto Skorzeny. From Tynec it allegedly continued on its way toward the confluence of the Vltava and Sazava Rivers, after which the reports about it disappear.

On receiving this information, we tried to find further data about this. However, none of the consultations we had has led to confirmation of the report. The inquiries conducted more than 10 years ago to uncover more precise details about the retreating Nazi units' transfers of documents and further valuables to shelters in Bohemia prepared in advance have been concluded. Their result was negative.

Ceausescu Awarded CSSR's Highest Decoration

LD260833 Prague CTK in English 1642 GMT 25 Jan 88

[Text] Prague Jan 25 (CTK)—Nicolae Ceausescu, the Romanian leader, has been awarded Czechoslovakia's highest distinction on the occasion of his 70th birthday and his contribution to the development of bilateral ties was highly praised in a message of congratulations sent to him today by Czechoslovak leaders.

The congratulatory telegram sent by Communist Party General Secretary Milos Jakes and President Gustav Husak said Ceausescu was known throughout Czechoslovakia "as a major politician and statesman who has devoted his life to the struggle for socialism and social progress."

"We are highly appreciating your personal contribution to the strengthening of the ties of friendship, alliance and cooperation in all spheres" between Czechoslovakia and Romania and their communist parties, the message said.

"We are firmly convinced that these contacts, based on the principles of Marxism-Leninism and socialist internationalism, will further expand," it added.

On the occasion of his birthday, Ceausescu, Communist Party general secretary and president of Romania, was awarded today the Order of the White Lion First Class with the Chain, the top Czechoslovak decoration.

Hungary's Marjai Ends Visit, Departs

LD232202 Prague CTK in English 1609 GMT 23 Jan 88

[Text] Prague Jan 23 (CTK)—Hungarian Deputy Premier and Minister of Trade Jozsef Marjai ended his visit to Czechoslovakia and left for home tonight.

Haman Receives Cuban Deputy Premier

LD252312 Prague Domestic Service in Czech 2030 GMT 25 Jan 88

[Text] Josef Haman, candidate member of the Presidium and secretary of CPCZ Central Committee, had a meeting today with Pedro Miret Prieto, member of the Cuban Communist Party Central Committee Political Bureau and deputy chairman of the Council of Ministers, who is in Czechoslovakia on a short working visit. They exchanged experience on implementing the conclusions of both fraternal Communist Parties' recent congresses.

They also discussed the development of bilateral economic, scientific and technical cooperation and assessed opportunities for stepping up such cooperation in providing for the fulfillment of tasks in the Cuban engineering and power industry.

Bilak Continues Visit to Syria 25 Jan

Meets Party Leaders

LD251827 Prague Domestic Service in Czech 1700 GMT 25 Jan 88

[Text] Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, who is on a working visit to Syria, had talks today in Damascus with Abdullah al-Ahmar, deputy general secretary of the Syrian Regional Command of the Socialist Arab Ba'th Party. In an open discussion, they briefed one another on the political, economic, and social developments in their countries in implementing the conclusions of both parties' congresses.

Vasil Bilak commended Syria's progressive foreign policy and voiced Czechoslovakia's unequivocal support for the efforts of the Syrian leadership for a just, lasting, and comprehensive settlement of the Middle East crisis. He also emphasized the identity of both parties' viewpoints in their analysis of the situation in that region and in other areas of the world.

Abdullah al-Ahmar paid tribute to the support and aid of the friendly countries, including Czechoslovakia, in the process of the progressive social and economic changes in Syria. He also spoke about Syria's mediation efforts in the Iraq-Iran conflict, stressing that a continuation and possible spread of this war would only serve the interests of imperialism.

Bilak Meets Al-Zu'bi, Mashariqah

LD252227 Prague CTK in English 2125 GMT 25 Jan 88

[Text] Damascus Jan 25 (CTK correspondent)—Czechoslovak Communist Party Presidium Member and Central Committee Secretary Vasil Bilak met here today Syrian Premier Mahmud al-Zu'bi.

The Syrian representative highly appreciated the long-term and stable character of the economic cooperation and Czechoslovakia's significant share in the building of Syria's economy. He explained the causes of some problems and difficulties which Syria faces in the economic sphere.

Vasil Bilak assured the Syrian premier of Czechoslovakia's lasting support in implementing Syria's progressive policy. He stressed that new possibilities of cooperation must be sought to prevent the present difficulties from hindering Syria's development and to ensure bilateral benefit from economic exchange.

Vasil Bilak also met with Syrian Vice-President Muhammad Zuhayr Mashariqah to discuss economic cooperation as well as world topics.

In his interview for the Syrian daily AL-BA'TH, Vasil Bilak emphasized the fraternal, friendly character of relations between the two countries and expressed support for the peace policy of the USSR and Czechoslovakia's solidarity with the just struggle of the Palestinian people on the occupied territories.

Thousands Sign Religious Rights Petition

AU251610 Vienna DIE PRESSE in German 23-24 Jan 88 p 2

[Text] Prague/Vienna—While a Vatican delegation is currently negotiating with the CSSR authorities on open questions with regard to the relationship between church and state, the collecting of signatures, initiated by Moravian Catholics, is continuing all over the country. As we reported, the 31-item petition demands the reestablishment of religious rights and an end to state interference in church affairs. Thousands of Czechs and Slovaks have already signed the document.

Prague's archbishop, Cardinal Frantisek Tomasek, has expressed his full solidarity with the signature campaign. The signing and distribution of the petition corresponds to the Constitution and other valid legal stipulations, the cardinal said. Added Tomasek: "I draw your special attention to the fact that cowardice and fear are not worthy of a true Christian." Obviously, his words have been heard. At the beginning of this week, a Slovak Catholic delegation handed the Prague archbishop lists with more than 16,000 signatures for the petition.

The main demand is the separation of church and state: The state authorities must not impede the appointment of new bishops and new priests. They should also not be allowed to interfere in theological studies and to influence the selection of professors.

As in the GDR and in Poland, orders should be permitted again and they should be allowed to accept new members. The right of the believers to found free lay associations should be recognized and it should be possible to hold religious instruction outside the school. The petition also demands the right to hold exercises, to form parish councils, to hold pilgrimages, and to keep contacts with Christian organizations abroad.

Religious publications should be fully accessible to believers and the founding of religious publishing houses, under the leadership of church representatives, should be permitted. The distribution and reproduction of religious texts must not be considered an illegal act or a crime. Religious broadcasts must be permitted on radio and television and the jamming of foreign broadcasts must be stopped.

Joint Commission To Study Proposals [subhead]

Further important issues of the petition: Return of church property impounded by the state; facilitation of the construction of new churches; an end to the arbitrary removal of religious and cultural memorial sites; speedy and total rehabilitation of illegally sentenced priests, monks, nuns, and active laymen; and the establishment of a joint commission of representatives of the state organs and the Catholic Church, including laymen, which is to study all these proposals.

[Vienna ORF Teletext in German at 1302 GMT on 25 January reports that "170,000 persons" have already signed the petition]

Lucan Receives National Church Officials

AU251932 Prague RUDE PRAVO in Czech 20 Jan 88 p 2

[CTK report: "Positive Development of Relations Between the State and the Churches; Comrade Matej Lucan Receives Representatives of Churches and Religious Societies"]

[Text] Prague (CTK)—Matej Lucan, CSSR deputy premier,received the representatives of churches and of the religious societies operating in the CSSR in Hrzan Palace in Prague this Tuesday [19 January].

In his statement he emphasized the tasks linked with the restructuring process and the deepening of socialist democracy in our society. He appraised the positive development of relations between the state and the churches, as well as the believers' involvement in the socialist construction of our society and in the struggle to preserve and consolidate peace.

The representatives of the clergy—Bishop Jozef Feranec, chairman of the Slovak Roman Catholic corps of ordinaries; Frantisek Vymetal, chapter dean and chairman of the Pacem in Terris Association of Catholic Clergy in the CSSR; Jindrich Halama, chairman of the Ecumenical Council of Churches in the CSSR; Milan Salajka, chairman of the Regional Association of the Christian Peace Conference; and Jan Michalko, bishop general of the Slovak Evangelical Church of the Augsburg Denomination—assured the federal deputy premier that in the future they would also lead the believers toward active work for the benefit of our socialist fatherland, to further build and develop it. They will also exert every effort in the sphere of foreign policy, in fighting for peace and to establish an atmosphere of cooperation among the peoples. At the same time they expressed condemnation of certain attempts to abuse religion, the churches, and believers for political aims directed against socialism and the interests of our people.

The reception was attended by Deputy Minister Vladimir Janku, director of the CSSR Government's Secretariat for Church Affairs.

Jakes, Regional Party Secretaries Meet

LD251741 Prague Domestic Service in Slovak 1600 GMT 25 Jan 88

[Text] A nationwide meeting of the leading secretaries of the regional and Prague and Bratislava city party committees took place today in Prague, chaired by Milos Jakes, general secretary of the CPCZ Central Committee. Also present at the meeting were members and candidate members of the Presidium of the Party Central Committee, the chairman of the Central Control and Auditing Commission of the party, and members of the Secretariat of the Central Committee.

The meeting discussed experience gained in working out the conclusions of the seventh session of the CPCZ Central Committee in the regional and district party committees, and the promotion of this experience in preparing the content of the annual membership meeting of the primary party organizations, plenary meetings and party conferences, and dealt with other topical issues of the work of the party in the current period.

The main attention focused on the implementation of the tasks connected with the comprehensive restructuring of the economic mechanism, and on the introduction of experiments. It was stressed that the basis for speeding up the pace of implementation of the program of economic and social development of society is consistently to ensure the fulfilment of this year's planned tasks, to apply the adopted resolutions into practice in a decisive way, to mobilize all resources and reserves, and to increase output, above all by means of intensification and the consistent application of the development of science and technology in all areas of the national economy. This means eliminating persisting shortcomings, barriers and braking mechanisms [brzdiace mechanizmy], and working more vigorously for a breakthrough in raising production efficiency.

Great attention was paid to the further democratization of the life of society, to improving the provision of information, and to raising the active participation of the people in tackling problems. Stress was laid on the ongoing task of developing intensive political work in the work collectives and of working to change the thinking and attitudes of the people. In this context it is necessary to step up the assistance and influence of all party activists and all bodies in the preparation and proceedings of the annual membership meetings of the party primary organisations and of the party conferences in the time that remains before these meetings, and to develop the creative initiative of the working people in honor of the 40th anniversary of Victorious February, and use this initiative to galvanize all efforts and resources to fulfil this year's planned tasks.

Further on Arrests of Treason Suspects

Proceedings Begin

LD250944 East Berlin ADN International Service in German 0849 GMT 25 Jan 88

[Text] Berlin, 25 Jan (ADN)—Investigative proceedings were instituted against several persons by the competent GDR organs on 25 January 1988 on suspicion of treasonable activities.

The investigative proceeding now under way against Stefan Krawczyk for criminal acts has meanwhile been expanded because of treasonable relations after links with circles in West Berlin, controlled by intelligence services, were uncovered.

More Treason Suspects Arrested

LD252048 East Berlin ADN International Service in German 1936 GMT 25 Jan 88

[Excerpt] Berlin, 25 Jan (ADN)—Several persons were taken into custody by competent GDR organs on 25 January on the founded suspicion of treasonable relations, and investigative proceedings were instituted against them. They include Wolfgang Templin, Ralf Hirsch, Baerbel Bohley, and Freya Klier. [passage omitted]

Government Spokesman on Further Arrests

LD251824 Hamburg DPA in German 1651 GMT 25 Jan 88

[Excerpts] East Berlin (DPA)—The GDR authorities today arrested five more people from independent groups. [passage omitted]

GDR Foreign Ministry spokesman Wolfgang Meyer said in response to a question from DPA: "As far as I know among those in custody are Wolfgang Templin, Ralf Hirsch, Baerbel Bohley, and Freya Klier. I have no other information." [passage omitted]

The East Berlin lawyer concerned with sorting out humanitarian problems, Wolfgang Vogel, warned those concerned to "keep things in perspective and be calm." "Dramatizing campaigns" will not help people or relations between the two German states," Vogel told DPA.

Vogel said: "Our understanding on humanitarian cases goes back to 1962. Since then every conflict has been defused and solved. Calm and a sense of perspective are necessary for this. The open market damages those concerned. This is also true for the latest cases. Yes, I have a mandate and also hope the situation calms down, if we recognize that we all have to rack our brains. Dramatic campaigns damage people and relations and endanger what has been achieved. I say this with deep concern." [passage omitted]

Culture Minister on Arrests

AU251911 Vienna Domestic Service in German 1700 GMT 25 Jan 88

[Barbara Coudenhove-Kalergi report]

[Text] Obviously, the GDR wants to nip in the bud the independent protest movement as quickly as possible. All people who participated in the Rosa Luxemburg rally and had applied for an exit visa at some time in the past have now been expelled to the West in bulk—a procedure for which normally one has to wait for years.

The heads of the protest rally, however, have been arrested: In addition to song writer Stefan Krawczyk, now his wife, theater director Freya Klier, and Ralf Hirsch, who belongs to a church-affiliated peace group, have been put into prison.

ADN, the official news agency, reported that investigative proceedings have been instituted against several persons—obviously the above-mentioned people—on suspicion of treasonable activities.

Krawczyk, who in East Berlin is considered as the legitimate successor of Wolf Biermann and does not want to emigrate, is now also accused of having connections to circles in West Berlin which are controlled by intelligence services.

At present, GDR Culture Minister Hans-Joachim Hoffmann is in Vienna and is at this moment opening an Austrian-GDR exhibition on art and work. He made a statement today on the harsh actions of the authorities against the independent groups:

[Begin recording] [Hoffmann] There will always be people who try to make differing opinions public. I think the form that we found is a conciliatory one. I do not have an uneasy conscience.

[Unidentified reporter] Mr Minister, as minister of culture, what do you say to the arrest of at least one cultural worker, namely song writer Stefan Krawczyk?

[Hoffmann] He has not been arrested at all. Mr Krawczyk is a product strongly promoted and supported by Western media. He has attacked our cultural policy—no, not the cultural policy, it is not a question of cultural policy, but of state policy, of contacts between peoples, of democracy—to such an extent that we said we would not accept this. This is the right of every state. [end recording]

In East Berlin the Protestant Church is meanwhile trying to win the release of the arrested people. West German artists have expressed their solidarity and groups in East Berlin are discussing further protests.

Meyer on FDJ Group Visit Cancellation

LD251740 Hamburg DPA in German
1659 GMT 25 Jan 88

[Text] East Berlin (DPA)—GDR Foreign Ministry spokesman Wolfgang Meyer commented on the refusal of the GDR People's Chamber delegation that intended to visit Bonn yesterday at the invitation of the SPD: "The announcement in the Western media that the FDJ group delegation in the People's Chamber canceled its visit to the FRG without reason does not correspond to the truth." The head of the GDR delegation pointed out to the SPD on Saturday that SPD deputies Hans Buechler and Margitta Terborg at a press conference named extra topics for discussion during the visit. They went beyond the jointly agreed on issues and would have been "interfering in the GDR's internal affairs." The FDJ "decisively rejects" this intention.

Frau Terborg yesterday put the cancellation of the visit down to the latest events and arrests in East Berlin. Presumably the FDJ wants to avoid discussing these events.

W. Berlin Letter of Support for Opposition

LD260950 East Berlin Voice of GDR
Domestic Service in German 0900 GMT 26 Jan 88

[Text] A begging letter reproduced in today's GDR press documents that the central control for the technical and financial support for the so-called GDR opposition operates from Berlin (West). In this letter, firms are clearly approached for donations, both of money and goods, and cameras, microphones, reproduction equipment, and other communications technology are cited as being particularly desirable. Recipients specifically named are the antisocialist underground organization GRENZALL and the UMWELTBLAETTER. Thus, the DKP organ UNSERE ZEIT comments, the question is answered why it was known in advance in West Berlin what was to happen at the demonstration for Karl Liebknecht and Rosa Luxemburg in the GDR's capital. Such operations are in no way conducive to a sensible relationship with the GDR and good-neighborliness.

Further on Honecker Talks With Papandreou

NC231514 Athens Domestic Service in Greek
1230 GMT 23 Jan 88

[Report by correspondent Apollonis Kokorikos in Berlin—recorded]

[Text] Prime Minister Andreas Papandreou is currently holding talks with GDR leader Erich Honecker; he arrived in Berlin from Stockholm at 1300. Papandreou and Honecker will hold talks on disarmament and bilateral issues. The Greek prime minister will also brief the East German leader on the results of the summit conference of the Six, which was held in Sweden. One of the issues to be discussed is the Six leaders' proposal for the withdrawal from GDR and FRG territory of nearly 4,000 tactical nuclear weapons, which are a danger to peace in the area.

Speaking to reporters during the flight from Stockholm to East Berlin, the prime minister said that the Six had a number of successful meetings in Sweden. The individuals invited were especially effective, offering new ideas on the struggle for disarmament.

Papandreou said one of the most important decisions made at the summit conference was the decision to attend the United Nations early in June, when the reduction of conventional and nuclear weapons will be discussed, along with the establishment of a new UN authority to verify the agreements for the reduction or abolition of certain categories of arms. This way verification would become an international issue rather than a superpower one, he said.

In addition, a formulated proposal will be made for the creation of a single system for international security. The two superpowers will be asked to prepare a briefing on the fate of the nuclear warheads on the medium-range nuclear missiles that will be abolished, according to the agreement recently signed by Reagan and Gorbachev.

In reply to a question on the role of the Six leaders now that a dialogue has begun between the United States and the Soviet Union, the prime minister said the Six want to convey a message to the two superpowers that the tactical nuclear weapons in the two Germanys are a threat to their survival. He said the abolition of the tactical nuclear weapons would draw the two Germanys closer and added that these issues will certainly be touched on during his talks with Honecker.

Asked whether he will meet with President Reagan during the NATO leaders' summit conference, the prime minister said such a meeting has not been requested by any side, so no special meeting would take place.

In reply to a question on the issues to be discussed at Davos during his meeting with Turkish Prime Minister Turgut Ozal, the prime minister said they will discuss the issue of a joint recourse to the International Court at the Hague for the settlement of the legal aspect of the delineation of the continental shelf of the Aegean. He said he cannot guarantee that Ozal will not raise some other issue. Naturally, he added, our basic principles remain unchanged, but, of course, there will be a change of tone in relations between the two countries. Nobody can foresee any solutions, but one can foresee an effort for detente. We must not forget the crisis in March which led to our decision to exchange views on the issue of the continental shelf.

Fischer Receives Envoys From Group of Six

LD251449 East Berlin ADN International Service in German 1253 GMT 25 Jan 88

[Text] Berlin, 25 Jan (ADN)—GDR Foreign Minister Oskar Fischer received on Monday the ambassadors of the Republics of Argentina, Greece, India, the United Mexican States, and of the Kingdom of Sweden, for a friendly talk. The Swedish ambassador, Henrik Liljegren, presented the "Stockholm Declaration" adopted at the third meeting of the heads of state and government of the six state initiative for peace and disarmament.

The foreign minister expressed gratitude for the presentation of the document. He said that the Stockholm declaration is truly welcomed and supported by the GDR. The agreement with the USSR that the medium- and shorter-range nuclear missiles will be dismantled in the near future, earlier than originally planned, as mentioned by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, is also wholly within the spirit.

Oskar Fischer praised the Stockholm declaration as a new, important impulse for the worldwide cooperation of all forces of reason and realism for peace, disarmament, and international security. Following the conclusion of the medium-range missile accord, like the members of the six state initiative, the GDR views the next step in the continuing disarmament process as an accord between the USSR and the United States on the reduction of strategic offensive weapons by 50 percent while strictly adhering to the ABM treaty. In addition, the ban on and elimination of chemical weapons and of nuclear tests is also on the agenda. The view that the arms race must not be allowed to advance into new areas such as outer space, but that the disarmament process must be continued in the nuclear and conventional sphere and be made irreversible through other decisive steps.

The immediate ratification of the medium-range missile treaty and the thwarting of any attempts to wreck further disarmament opportunities through the buildup and modernization of other types of weapons is now of special importance. The GDR is in favor of joint efforts to reduce and eventually eliminate tactical nuclear weapons which still remain in Europe, and, in this connection, to achieve a drastic reduction in armed forces and conventional armaments from the Atlantic to the Urals under the strictest possible supervision.

On behalf of the ambassadors present, the Swedish ambassador thanked the foreign minister for the appreciation of the declaration's concern expressed by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, during the visit of Andreas Papandreou, prime minister of the Greek Republic. It is with great satisfaction and encouragement, the ambassadors of the states represented concurred in noting, that their governments are following the GDR's work and resourceful action in the spirit of the six state initiative for peace and disarmament. This agreement is a firm foundation for work in the interest of peace and progress.

In conclusion, Oskar Fischer said that the GDR will continue to support the initiatives of the six states through its active peace policy.

Conference on Middle East Favored

LD251847 East Berlin ADN International Service in German 1601 GMT 25 Jan 88

[Text] Berlin, 25 Jan ADN—Regarding the USSR proposal for negotiations at the foreign minister level in the UN Security Council on the convening of an international Near East peace conference, ambassador Wolfgang Meyer, GDR Foreign Ministry spokesman, on Monday expressed the GDR's expectation that a serious search for possibilities of solving the peace-threatening situation of conflict in the Near East can be tackled in this significant body for world security.

The continuing protest actions by the Palestinian-Arab population in the occupied areas against the Israeli occupation terror indicate how urgent practical steps in the direction of a settlement are. They are an expression of the struggle of the Palestinian people against the continued denial and violation of its legitimate rights by Israel.

The GDR affirms its view that a comprehensive, just, and lasting settlement of the conflict is only possible by political means. An international Near East peace conference under the auspices of the United Nations and with the participation of all concerned parties, including the PLO and Israel and the permanent members of the UN Security Council is, in the opinion of the GDR, a path to which there is no sensible alternative. It therefore supports the latest initiative of the USSR for preparatory consultations in the UN security Council as a suitable measure for putting the settlement process in motion.

In its stance the GDR agrees with the call by Arab states for the creation of a favorable climate for the convening of an international Near East peace conference, as reaffirmed at the latest meeting of the Arab League in Tunis.

SED Official Receives Mongolian Minister

AU251637 East Berlin NEUES DEUTSCHLAND in German 23-24 Jan 88 p 2

[Text] East Berlin (ADN)—On Friday [22 January] Horst Soelle, deputy chairman of the Council of Ministers, received Sodobyn Bathuyag, minister of fuel, mining industry, and geology of the Mongolian People's Republic. Their friendly talk focused on questions concerning the further development of cooperation between the two countries in the sphere of the mineral raw material industry. The meeting was attended by Manfred

Bochmann, minister of geology, and Shamts Ragchaabasharyn, ambassador extraordinary and plenipotentiary of the Mongolian People's Republic to the GDR.

Honecker Confers Karl Marx Order on Ceausescu

LD260927 East Berlin ADN International Service in German 0302 GMT 26 Jan 88

[Text] Berlin, 26 Jan ADN—The Karl Marx Order was conferred on Nicolae Ceausescu, general secretary of the RCP and president of Romania, on the occasion of his 70th birthday by Erich Honecker.

A greetings message conveyed by the general secretary of the SED Central Committee and chairman of the GDR State Council, pays tribute to Ceausescu's contribution to Romania's socialist development. "We show our respect for your untiring work for peace and social progress, for peaceful competition between the social systems in a world without nuclear weapons and other weapons of destruction," the message says.

'Arafat Thanks Honecker for Congratulations

AU251713 East Berlin NEUES DEUTSCHLAND in German 23-24 Jan 88 p 2

[ND report: "Message from Yasir 'Arafat to Erich Honecker; National Rights of the Palestinians are Inalienable; Thanks for the Greetings Message on the 23d Anniversary of the Palestinian Revolution"]

[Text] East Berlin (ND)—Yasir 'Arafat, chairman of the PLO Executive Committee and commander in chief of the Armed Forces of the Palestinian Revolution, has sent the following message to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council:

Esteemed Comrade Erich Honecker: The greetings message you sent on the occasion of the 23d anniversary of the Palestinian revolution has deeply moved me and my comrades, the members of the PLO Executive Committee, as well as our Palestinian people. On behalf of all of them I would like to convey to you, dear Comrade, your militant party, your esteemed government, and to your friendly people cordial thanks and our respect for the fundamental attitude of support and solidarity for the just struggle of our people, which you again expressed in your message.

This year our Palestinian people are commemorating this anniversary in our occupied territory with an enormous uprising against the Israeli occupation of their national territory. Our people are fighting with bare hands, a strong will, and determined resolve against arms of Israeli and American origin that are used for oppression and destruction. This uprising shows the determination of the Palestinian people to reject Israeli occupation of their home country, to put an end to it, to resolutely fight against the practices of the Israeli enemy which ignore their inalienable rights, and to continue their tireless struggle against the arbitrary rule and occupation practices which are known as the policy of the iron fist. This uprising also demonstrates that our people fully support the leader of their national struggle, the PLO, as their sole legitimate representative.

Also in the camps in Lebanon our people succeeded in continuing their heroic struggle against the most malicious destruction campaign and the most malicious destruction offensive to which it has been subjected by the Israelis and their helpers, and which are aimed at eradicating its existence and at dealing a blow to their sole legitimate representative, the PLO, and at balkanizing the region by splitting it into small confessional states which can easily be ruled by imperialism, thus depriving them of their resources, possibilities, and potentials.

Comrade Chairman, these results show that just peace or stability can only be brought about if their inalienable rights are restored to our people, including the right to return to the country, to self-determination, and the right to create an independent state. This can best be achieved through an international Middle East peace conference under the auspices of the UN and within the framework of the United Nations, in which all permanent members of the UN Security Council and the parties affected by the conflict, including the PLO as the sole legitimate representative of our Palestinian people, take part on the basis of equal rights.

As you know, the just struggle of our people is an integral part of the struggle of the peoples in the world to bring about peace for all people in the world. This is why our people, too, have resolutely supported the efficient peace policy of the socialist states, particularly the policy of the friendly Soviet Union, which made possible the signing of the agreement between Comrade Mikhail Gorbachev and President Reagan in Washington on the limitation of nuclear weapons and missiles and the introduction of future steps aimed at preserving peace in the world, so that coming generations will no longer face a nuclear threat.

I take this opportunity to convey my thanks and respect for the attitude of fundamental, consistent, and practical help and support on the part of your friendly country, under your wise and courageous leadership, in the struggle of our people. We are sure that this help and support will be further increased on the basis of your internationalist policy and your firm militant course.

Esteemed Comrade Chairman, I wish you the best of health and well-being and your friendly people progress and prosperity.

Revolution until victory!

Yasir 'Arafat,

chairman of the PLO Executive Committee and commander in chief of the Armed Forces of the Palestinian Revolution

Khamtai Siphandon Greeted by GDR Counterpart

BK261011 Vientiane KPL in English
0912 GMT 26 Jan 88

[Text] Vientiane, January 26 (KPL)—General Khamtai Siphandon, minister of defence of the LPDR, on January 20th received a telegramme of greetings from his GDR counterpart, Heinz Kessler.

"On the occasion of the 39th founding anniversary of the Lao People's Army, on behalf of the National Defence Ministry, the rank-and-file of the National People's Army of the GDR and on my own behalf, I would like to convey my warm and best wishes to you and to the fraternal Lao People's Army," reads the telegramme.

"We hail the achievements scored by Lao combatants in the fulfillment of their duties in safeguarding the gains of the Lao people's revolution," the telegramme continued.

"We pledge to render fraternal assistance to you and assure you our solidarity," the message concluded.

Train Crash Takes Six Lives

AU221457 East Berlin NEUES DEUTSCHLAND
in German 21 Jan 88 p 2

[Text] Potsdam (ADN)—The number of casualties in the serious train accident which occurred on Tuesday evening [19 January] on the Leipzig-Berlin line near Forst Zinna station has risen to six. During the night, one female passenger was already dead when she was recovered from the derailed carriage. Another seriously injured person has died in the hospital, in spite of medical efforts to save his life. The relatives of the persons who died in the accident are receiving every possible support from the local state organs. For those who have been injured, medical care is provided in the hospitals of Jueterborg, Luckenwalde, and Treuenbrietzen. Intensive work is being carried out to repair the tracks and electrical overhead lines.

Fischer Praises FDJ Friendship Brigades

AU251746 East Berlin NEUES DEUTSCHLAND
in German 22 Jan 88 p 2

[Text] East Berlin (ADN)—Oskar Fischer, GDR minister of foreign affairs, met with the heads of the FDJ Friendship Brigades in Berlin on Thursday [21 January]. The traditional meeting in the Foreign Ministry was attended by Eberhard Aurich, first secretary of the FDJ Central Council.

Oskar Fischer thanked the brigade members for the responsible work, with which they are supporting socioeconomic development in friendly countries in Africa, Asia, and Latin America. Their activity is an efficient and convincing contribution by the GDR's youth to anti-imperialist solidarity with the national and social liberation struggle of the peoples. The foreign minister stressed that by their work the brigades are providing valuable help in overcoming underdevelopment, hunger, and disease in different parts of the world. Support in vocational training and in the medical sphere have proven to be particularly successful.

In the course of the friendly discussion, Oskar Fischer reported on the GDR's constructive foreign policy in the worldwide struggle for peace and disarmament. He stressed that, owing to initiatives from the USSR and the other socialist states, and through the support of all forces of peace and the work of realistic politicians in capitalist states, it has become possible to take the first significant steps toward creating a world without nuclear weapons. In this way, they are lastingly improving conditions for solving the problems of the developing countries.

The agreement between the USSR and the United States on the elimination of medium-range nuclear missiles, to the conclusion of which the GDR has made a generally recognized contribution with its policy of dialogue and cooperation, is particularly important for the young people's hopes of a happy future.

The minister paid tribute to the significant contribution of the nonaligned states to the global and regional safeguarding of peace. In this connection, he emphasized their efforts aimed at the political settlement of regional conflicts and the creation of nuclear-free zones and zones of peace. He reaffirmed that the GDR will continue to devote great attention to cooperation with the states and peoples in Africa, Asia, and Latin America, so as to bring about peace and development.

Eberhard Aurich spoke about the great achievements of the FDJ brigades. He stated that through their work and in daily cooperation with the working people the youth of the GDR are representing their socialist fatherland in the respective countries in a respectable manner.

The brigade heads reported on the successful activities of their collectives and the pledges undertaken by them. They affirmed that the brigades will also fulfill the new tasks in a responsible manner and with enthusiasm.

Tisch Addresses FDGB Legal Conference

AU251715 East Berlin NEUES DEUTSCHLAND
in German 22 Jan 88 p 1

[Text] East Berlin (ND)—The further development of socialist democracy, primarily through the increasingly efficient use of the far-reaching rights of the trade unions

to cooperation and co-determination, was at the center of a discussion among 250 trade union officials, members of legal and conflict commissions, lay judges, representatives at lawsuits [Prozessvertreter], and members of legal and security organs at a legal conference of the FDGB National Executive Council in Berlin on Thursday [21 January].

Harry Tisch, chairman of the FDGB National Executive Council and member of the SED Central Committee Politburo, stressed that all groups of the trade union's representation of interest are involved in contributing to strengthening the socialist legal system and the legal certainty of the working people. Referring to the 11th SED Congress resolutions, he pointed out that "the further development of socialist democracy in enterprises is primarily carried out by extending the rights and the responsibility of the trade unions. The rights that have been guaranteed by our socialist Constitution and the Labor Code, which has now been valid for 10 years, have given the trade unions a position in the enterprises and in society which they have never enjoyed before."

In his opening speech Horst Heintze, member of the Presidium and secretary of the FDGB National Executive Council, summarized the experiences gained in the GDR with the Labor Code which was adopted 10 years ago at the initiative of the trade unions, in the drafting of which the workers and all working people had their share, and which is proving itself in life. Internationally, it is also proof of socialist democracy and lawfulness.

The conference was attended by Klaus Sorgenicht, member of the GDR State Council and director of the State and Legal Matters Department of the SED Central Committee, Wolfgang Beyreuther, member of the Council of Ministers and state secretary for labor and wages, and Dr Guenter Sarge, president of the Supreme Court.

Boehme, Felfe Attend Party Aktiv Meeting

AU251729 East Berlin NEUES DEUTSCHLAND in German 23-24 Jan 88 p 1

[Text] Halle (ND)—On Friday [22 January] more than 900 party activists from agriculture, forestry, and foodstuffs industry of Halle Bezirk discussed results in the implementation of the 11th Party Congress resolutions. The members of the SED Central Committee Politburo, Hans-Joachim Boehme, first secretary of the SED Bezirk leadership, and Werner Felfe, secretary of the SED Central Committee were warmly welcomed.

Helmut Morche, candidate member of the Central Committee and secretary of the bezirk leadership, reported on the further increase in performance. He drew up a positive balance sheet of what has been achieved so far. The pledge of the 13th Peasants' Congress was fulfilled with yields of 55.5 decitonnes of grain, 310 decitonnes of potatoes, and 380 decitonnes of sugar beet per hectare. With nearly 61 grain equivalent units per hectare of agricultural area the peasants and workers achieved the highest gross output of vegetables so far. Regarding slaughter animals and milk, they also obtained the highest result so far.

Hans-Joachim Boehme and Werner Felfe awarded certificates of honor to 14 agricultural producer cooperatives, state farms, and enterprises of agriculture, forestry, and foodstuffs industry for outstanding performances. The exemplary cooperatives and enterprises were entered in the special book of the SED Bezirk leadership.

During the discussion the 11 speakers—including cooperative peasants, workers, scientists, party and state functionaries—affirmed that they also want to continue to compete for the highest results in 1988, so as to strengthen the socialist state and to support the peace policy.

The concluding speech was made by Werner Felfe. He conveyed greetings from the Central Committee and General Secretary Erich Honecker to the Communists and expressed thanks and appreciation for the outstanding results of the working people of the bezirk in implementing the 11th Party Congress resolutions.

It is a question of creating an atmosphere of struggle everywhere for the imperative fulfillment of the challenging national economic plan, Werner Felfe stated. "We want to meet our obligation to supply the population with foodstuffs and industry with agricultural raw materials at an increasing level, on the basis of the planned assets."

Werner Felfe congratulated the Albersroda Agricultural Production Cooperative, which is among the republic's eight enterprises that harvested an average of 70 decitonnes of grain per hectare in 1987, and 84.2 decitonnes of winter barley on maximum yield plots.

The speaker suggested that Halle Bezirk set the target to achieve a gross output of vegetables of at least 65 grain equivalent units per hectare in the next few years, thus maintaining its first place among the bezirke.

Leaders' Public Appearances 15-21 January

[Editorial Report] East Berlin NEUES DEUTSCHLAND in German from 15-21 January reports the following public appearances of GDR leaders (date of publication in parentheses):

Willi Stoph, chairman of the GDR Council of Ministers, received Daw Abdellah Kelani, secretary of the People's Committee of the People's Bureau of the Great Socialist People's Libyan Arab Jamahiriyah in Berlin on 14 January (15 January, p 2).

The New Year reception for the Diplomatic Corps given by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, in

Berlin on 15 January, was attended by Willi Stoph, chairman of the GDR Council of Ministers, the Politburo members Hermann Axen, Werner Felfe, Egon Krenz, Guenter Mittag, and Harry Tisch, and Politburo candidate member Margarete Mueller (16-17 January, p 1).

Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, Willi Stoph, chairman of the GDR Council of Ministers, the Politburo members Hermann Axen, Horst Dohlus, Werner Felfe, Joachim Herrmann, Werner Jarowinsky, Heinz Kessler, Guenther Kleiber, Egon Krenz, Werner Krolikowski, Erich Mielke, Guenter Mittag, Alfred Neumann, Guenter Schabowski, and Harry Tisch, and the Politburo candidate members Inge Lange and Gerhard Schuerer attended the rally in commemoration of Karl Liebknecht and Rosa Luxemburg in Berlin on 17 January (18 January, pp 1,3).

Hans-Joachim Boehme, member of the SED Central Committee Politburo and minister of university and technical school affairs, held a speech during a meeting with teachers of the Karl-Marx Party College in Berlin on 14 January (15 January, p 1).

Hans-Joachim Boehme met representatives of youth collectives in Merseburg on 15 January (16-17 January, p 2).

Hans-Joachim Boehme attended the inauguration of the new rector of the Zwickau Engineering College on 20 January (21 January, p 2).

Werner Eberlein, member of the SED Central Committee Politburo, visited a party assembly in the VEB Children's Wear, Oschersleben, on 18 January (19 January, p 2).

Werner Eberlein attended a FDJ group assembly of the Magdeburg Ernst Thaelmann Works on 20 January (21 January, p 20).

Joachim Herrmann, member of the SED Central Committee Politburo and secretary of the SED Central Committee, received Jan Risko, director general of the Czechoslovak Radio on 18 January (19 January, p 2).

Army General Heinz Kessler, GDR minister of national defense and member of the SED Central Committee Politburo, received Sandor Kiss, Hungarian deputy minister of national defense on 14 January (15 January, p 2).

Siegfried Lorenz, member of the SED Central Committee Politburo, took part in a joint aktiv conference of the SED and the FDJ of the Karl-Marx-Stadt Bezirk in Karl-Marx-Stadt on 14 January (15 January, p 4).

Gerhard Mueller, candidate member of the SED Central Committee Politburo, thanked the Erfurt Workers Militia for its commitment in Erfurt on 15 January (16-17 January, p 2).

Gerhard Mueller was briefed by industrial combines of the Erfurt Bezirk on their plan fulfillment targets in Erfurt on 20 January (21 January, p 2).

Werner Walde, candidate member of the SED Central Committee Politburo, visited the miners of Reichwalde and Nochten on 14 January (15 January, p 4).

Marjai Receives Visiting Cuban Deputy Premier

LD251640 Budapest MTI in English
1530 GMT 25 Jan 88

[Text] Budapest, January 25 (MTI)—On Monday Deputy Prime Minister Jose Ramon Fernandez, co-chairman of the Cuban-Hungarian Economic, Technical and Scientific Cooperation Committee, arrived in Budapest to head a delegation to the 15th session of the committee on the invitation of Jozsef Marjai, deputy chairman of the Hungarian Council of Ministers, minister of trade and co-chairman of the committee.

Jose Ramon Fernandez was welcomed at Ferihegy Airport by Jozsef Marjai. Present was Faustino Beato, ambassador of the Republic of Cuba to Hungary.

The heads of the two negotiating groups have started talks on timely issues related to the development of economic cooperation.

Szuros Receives Austrian Society Official

LD251852 Budapest MTI in English
1807 GMT 25 Jan 88

[Text] Budapest, January 25 (MTI)—Matyas Szuros, chairman of the Foreign Affairs Commission of Parliament, met Austrian politician Fritz Marsch, president of the Austrian-Hungarian Society, in Budapest on Monday.

The parties surveyed the state of good-neighbourly Hungarian-Austrian relations, with special regard to strengthening contacts between social organs, societies and individuals.

SFRY SAWPY President Speaks in Budapest

LD260458 Budapest MTI in English
2250 GMT 25 Jan 88

[Text] Budapest, January 25 (MTI)—Milojko Drulovic, president of the Socialist Alliance of the Working People of Yugoslavia, who is heading a delegation to Hungary, held a press conference in Budapest on Monday, the first day of the visit.

On Monday the delegation met Imre Pozsgay, general secretary of the National Council of the Patriotic People's Front. Concerning the talks, Milojko Drulovic said that the two organizations had been maintaining traditionally good cooperation links. Now they strive for a less spectacular but more practical dialogue and an even closer cooperation. Delegation experts to one another's country, they are to exchange views on issues related to the social protection of the old. The parties also discussed what the fundamental pricniple of consensus means.

On Yugoslavia's policy towards the national minorities, Milojko Drulovic said that the consolidation of the equal rights of peoples and national minorities in Yugoslavia is a chief idea in the amendment to the Constitution which is at issue in Yugoslavia today. Milojko Drulovic spoke in detail of the situation in Kosovo and the major investment projects carried out by the Yugoslav state to develop that less advanced region of the country.

MTI Reports Rising Unemployment Figures

LD251646 Budapest MTI in English
1515 GMT 25 Jan 88

[Text] Budapest, January 25 (MTI)—In one year, the number of jobless people has doubled in Hungary; in Mid-January 10,500 people were listed with the employment offices. According to estimates, this year the number of job-seekers is to increase to 30-40 thousand, including a large number facing longer periods of unemployment, and to 100,000 to 200,000 by 1990.

At present, the proportion of unemployment stands at 0.2 per cent compared to the gainfully employed, but there are already 6 among the country's 19 counties, mainly in the north-east, where the jobless outnumber vacancies. The reason is that metallurgical facilities are concentrated in that region and the industry had massive redundancies last year.

On a national scale, there were still 55,500 vacancies at the end of 1987, but job openings showed a downward trend: they were 26,000 fewer than a year before. Demand rarely meets supply and vice versa. Seemingly, there are 5-6 vacancies for every job hunter, yet 70 per cent of them are unskilled, and one-third even lack complete basic level schooling. Companies tend to want to employ skilled workers, so there are at best just 1-2 openings for the overwhelming majority of unskilled workers. But this is still less than enough as there is little mobility in Hungary due to strong local social ties, and also exorbitant apartment prices are prohibitive for people who would be willing to move to towns that offer vacancies.

Assistance for the unemployed is provided by the state in two ways. The notice period has been prolonged, and now support is granted for the period an individual is looking for a new job, this is called an employment allowance. The full average wages are paid during the prolonged 6-month notice period. The employment allowance is granted for another 6 months, but its sum is only 60-75 per cent of the last average wages.

The government plans to introduce, from the second half of 1988, a re-starting support: based on the British enterprise allowance scheme, it would give preferential loans to persons leaving the labor market to start independent private business. The 10-year loan would total 150,000 forints (some 3,000 dollars), which is sufficient to launch certain servicing businesses. The debt would decrease each year by 10 percent of the original amount, however, the remainder will have to be paid back with an interest rate of 13-15 per cent if the recipient discontinues the activity within 10 years.

These sums would also be paid from the 1.2-billion-forint (some 24 million dollars) employment fund that Parliament set up in December 1988 [as received)0 to support the jobless, who received 10 million forints (about 200,000 dollars) in assistance in 1987. The government is expected to spend 300 million forints (some 6 million dollars) this year on the prolonged notice period and the employment allowance.

The government measures have come under criticism from the trade unions, which maintain that it is unfair that the employment allowance is due only if a certain number of workers (at least 10 people) are sacked at the same time. The Hungarian trade union has set up trade union groups for the unemployed in three Hungarian towns in a critical situation, Miskolc, Ozd and Szolnik (northern Hungary), and an employment policy council has also been set up in the national trade union centre to follow up unemployment trends.

According to estimates, there could be 100-200 thousand jobless people in Hungary by the early 1990s. Experts believe it will soon become necessary for a law to replace current decrees in order to deal with the social security of all citizens, including unemployment concerns.

Employment of Newly Graduated Youth Assessed

AU251816 Budapest MAGYAR HIRLAP in Hungarian 23 Jan 88 p 5

["Eller"-signed report: "Waiting for the First Job-Analysis by the State Office for Wages and Labor of the Employment Chances of Young People Starting Their Career—Poor Chances for High-School Graduates"]

[Text] More than 88 percent of the young graduates starting their career also found a job by the end of October in 1987—concluded the State Office for Wages and Labor.

Although, as a whole, increasingly fewer new staff members are needed by enterprises, and, as a result of restructuring, several employees with a long service are also laid off, there were no nationwide tensions in the employment of young school graduates in 1987. Skilled workers and high school graduates have the most advantageous employment opportunity, but, unfortunately, 60 percent of the young people searching for a job are unskilled. There were less than 4,000 young people who could not find a job by the end of last year. This number is 350 more than in 1986.

Different Requirements [subhead]

If we analyze the possibilities of young graduates according to various types of schools, differences can be noticed. The employment of general school graduates was similar to that of previous years, that is, it continued to be difficult. The situation of the auxiliary school graduates is particularly difficult. Among the secondary school graduates, the machine cutters, welders, and ironworkers are very much welcome. Employers are looking for vocational school graduates more than for professional, secondary school graduates. The situation of the latter is aggravated by the fact that many areas are trying to reduce the administrative jobs, while these graduates are needed precisely in these jobs. In the employment of high school graduates, the greatest problem continues to be caused by the fact that the jobs offered do not fulfill these people's expectations.

Modest Starting Salaries [subhead]

The situation is more favorable in Budapest; this is true of both adult workers and young graduates. The greatest number of jobs is to be found in Budapest. According to the data supplied by the State Office for Wages and Labor, young graduates can also start looking for a job with serious chances in Gyor-Sopron, Pest, and Vas counties. The situation is also better than the average in Baranya, Csongrad, Fejer, Tolna, and Zala counties. Here, the employment of general school graduates is more problematic. The number of young people waiting for employment in Borsod and Hajdu-Bihar counties at the end of last year decreased by 200, but there are still 300-400 young people waiting for a job. The most difficult situation continues to be in Szabolcs county, where one-third of all the young people waiting for employment in the country at the end of 1987 (some 1,200 people) could not find a job. More than 1,000 young people took a job in Budapest or the surrounding counties, accepting commuting.

The basic wages of young people starting their career in 1987 increased by 6.7 percent, compared to the previous year, and thus it reached an average of 3,297 forints. In Budapest the average is 3,552 forints, and in Baranya county, the average is the lowest: 3,002 forints. There continues to be a considerable difference between the basic wages of men and women starting their career: Women receive basic wages that are 445 forints lower. University graduate women receive an average of 226 forints less than their male colleagues.

It is true that, as a whole, there was no need for central measures aimed at facilitating the employment of young people in 1987. The majority of young people starting their career also found jobs through personal family and friendship contacts in 1987. However, compared to previous experiences, slightly more young people made use of the services of the labor exchange offices. The economic and demographic changes expected in the coming years, however, require central social assistance, because employment opportunities for young people starting their careers will, no doubt, further decrease.

Entitled To Receive Retraining Allowances [subhead]

Manpower mobility in the wake of the economic restructuring and the fact that enterprises and cooperatives will need professionally trained manpower that provides greater performance will strongly affect young people's

opportunities in finding a job. The fact that this year retraining support is also provided to young people starting their career and who are not employed represents concrete government help. A specially created work committee will submit the necessary long-term proposals to the Council of Ministers.

Commercial Bank Activities Extended

AU252108 Budapest MAGYAR HIRLAP in Hungarian 20 Jan 88 pp 1, 5

[Interview with Gyorgy Zdeborski, director of the main department for managing foreign currency at the Hungarian National Bank, by Maria Lakatos: "Decisions of the Council of Banks—Interview with Hungarian National Bank Official on Transfer of Certain Foreign Currency Powers—Recipients Are the Commercial Banks"—date and place not given]

[Excerpts] In addition to monopolies of private accounts in the National Savings Bank, only one other area has remained unchanged during the reforms implemented in the banking system 2 years ago, the area of controlled management of foreign currency activities which has remained under the direction of the Hungarian National Bank.

Then it seemed that modification would be out of the question for long years. But the new commercial banks established barely a year ago struggled hard to participate in foreign currency activities at least partially, and also gained independence in this area. Specialized journals began a lively debate on whether it were possible and necessary to reform or preserve the controlled management of foreign currency activities which was established at the time of the profound economic crisis in 1931. At a session of the council of banks several weeks ago, the Hungarian National Bank submitted its own idea to the effect that within 3 years certain operational foreign currency transactions, that is, transactions which are directly related to foreign trade turnover, will be gradually transferred to the commercial banks. This idea was adopted by the council of banks, whose work is shared by the Hungarian National Bank, commercial banks and competent representatives of the Ministry of Finance.

We asked Gyorgy Zdeborsky for more details.

[Lakatos] When one speaks about managing foreign currency at present, one is in fact thinking about accepting credits and authorizing them. For years the Hungarian National Bank has consistently upheld its position that accepting credits should be handled centrally because this way loans are cheaper. The commercial banks' idea that management of foreign currency should be decentralized has, however, been accepted in the meantime. Are these basically differing opinions becoming closer to each other?

[Zdeborsky] We are talking about the ways in which commercial banks can participate in carrying out certain foreign currency transactions within the framework of the central foreign currency management, and not about decentralizing the management of foreign currency. Our proposal, which was adopted by the council of banks, stipulates decentralizing only certain bank transactions that are directly related to foreign trade turnover. Many misconceptions about accepting credit exist, but I believe that everybody would accept the idea that this is the most complicated foreign currency transaction and requires the largest amount of experience and knowledge. [passage omitted]

[Lakatos] Credits, therefore, will continue to be centrally controlled. Will commercial banks carry out private and operational transactions?

[Zdeborsky] In our opinion, commercial banks should carry out all the foreign currency transactions related to the foreign trade activities of enterprises and private services. The Hungarian National Bank will keep its duties as the issuing central bank and the foreign currency authority; in addition, it will carry out and authorize credits. The commercial banks should make preparations to be able to carry out foreign currency transactions; they will need cash rooms, experts, calculators, and so on.

According to our ideas, commercial banks will initially manage private foreign currency accounts and in the same manner they will also be able to accept foreign currency accounts of mixed enterprises. I know that these amounts are not too significant, but this is the only way to start this branch of business activities. Insuring the rate of exchange for a fixed period is already a more significant activity; it is related to exports and imports and reduces the risks connected with changes in the rate of exchange. At present the Hungarian National Bank is carrying out these activities which typically belong to commercial banks. In the future, commercial banks will be able to carry out such transactions between themselves; naturally, this can be done only on the basis of actual exchanges of goods involving foreign trade. We would like to eliminate speculation at all costs. Transactions insuring the rate of exchange can be carried out with the central bank; the risks of change in the rate of exchange, therefore, will be divided between the banking system and the enterprises. This, then, would be the first step. The commercial banks have already sent experts to the Hungarian National Bank to learn, because banks can loose much money on a deal if they do not have the adequate experiences.

[Lakatos] When will commercial banks be able to carry out such transactions?

[Zdeborsky] They will be able to do so as soon as they are ready, perhaps even this year. [passage omitted]

We think that after decentralizing the basic operations that have already been mentioned, Hungarian commercial banks will be able to establish direct relations with foreign financial establishments and so-called correspondence and accounting relations as soon as in 1989. In other words, this is the beginning of getting to know each other. This will be the time to introduce client-oriented services and advisory activities. In the third stage, around 1990, the commercial banks will be able to participate in carrying out the foreign currency turnover payments of individuals and of enterprises. Moreover, the logical course of development will be that commercial banks will also be able to accept short-term credits related to payment turnover in cases of suitable domestic and foreign conditions and with authorization from the foreign currency authority; that is, they will be able to directly participate in financing concrete enterprise programs.

[Lakatos] The commercial banks, however, will need foreign currency to carry out the foreign trade turnover. The foreign currency reserves will, therefore, be divided, after all.

[Zdeborsky] The central bank will naturally have to know every day exactly how much foreign currency is in the country, because it will also have to control foreign transactions. This is why the system of authorizations established by the foreign currency authority will remain in effect; the same system exists in Austria, for example. The commercial banks will be able to have a minimal reserve of foreign currency at their disposal, but they will have to report exact figures every day. However, they will not transfer foreign currency to us, but sell it to us or buy it from us at the existing rate of exchange. We also think that it will be possible for them to carry out foreign currency transactions between themselves, but they will not be able to join the international monetary market directly.

The central guidance of foreign currency management will, therefore, remain in effect without any changes. Commercial banks will increasingly establish relations with the enterprises and will also be able to independently operate abroad; the Hungarian National Bank will coordinate their activities in this area by means of authorizations which it will issue in its capacity as the foreign currency authority.

We submitted these possibilities at the session of the council of banks; the participants unanimously adopted them without debate. [passage omitted]

Company Allegedly Financing Terror Shut Down

AU261615 Paris AFP in English
1552 GMT 26 Jan 88

[Text] Warsaw, Jan 26 (AFP)—Poland said Tuesday it had shut down an import-export firm alleged by Washington to be financing Palestinian terrorism and added that the company's director had left this country.

Government Spokesman Jerzy Urban said that the SAS company [not further identified], headed by Samir Hassan Najmeddin [name as received], had been ordered closed by the Polish Foreign Trade Ministry in August last year.

He said the action had been taken after information from the United States alleging that the company was linked with Palestinian terrorist operations.

But he said that Polish authorities had never received any proof that the firm had carried out illegal operations on Polish territory.

Poland knew nothing about any "possible" links with the Abu Nidal Palestinian faction, he added.

The U.S. State Department in a report alleged that the Palestinian group had maintained an important financial operation in Warsaw that traded arms and consumer goods to raise money for terrorist acts.

Washington "was never able to present proof, but in view of the suspicions regarding SAS, we took the decision to order its closure," Mr. Urban said.

He said that Mr. Najmeddin had left Poland on January 14. "No expulsion measure was taken against him," the spokesman said, but indicated that Polish authorities had not renewed his visa.

Solidarity Leader Jailed for 18 Months

AU251921 Paris AFP in English
1915 GMT 25 Jan 88

[Text] Warsaw, Jan 25 (AFP)—A leader of the outlawed Polish trade union Solidarity was sentenced Monday to one-and-a-half years in jail for using false identity papers, informed sources said here.

Jan Andrzej Gorny, 36, who was also charged with failure to pay alimony to his divorced wife, was sentenced by a court in the southwestern region of Dabrowa Gornicza.

Solidarity spokesman Janusz Onyszkiewicz told AGENCE FRANCE-PRESSE that the verdict was a "political vengeance" against Mr Gorny, adding that the charges had been trumped-up as a pretext for jailing one of the union's most active leaders.

Mr Gorny, a former steelworker who organized several strikes in 1980, was arrested in the southern city of Gliwice in November.

Police said they had found several identity cards not belonging to Mr Gorny in the apartment where he was arrested, claiming that he used them to travel under assumed names.

Solidarity leader Lech Walesa appointed Mr Gorny to the union's 10-member executive committee in October.

Meanwhile, Andrzej Kolodziej, the leader of a Solidarity radical splinter group called Fighting Solidarity, was arrested Saturday in the northern port city of Gdansk, informed souces said here Monday.

Mr Kolodziej, 28, founded the dissident splinter group, which does not rule out using violence, in 1982. He was one of the signatories of the 1980 Gdansk agreements intended to legalize Solidarity.

Authorities here declined to confirm the arrest.

A member of an ecological and pacifist group was sentenced to two-and-a-half years in jail for refusing to do military service by a court in the western region of Zelona Gora, reliable sources said Monday.

Kazimierz Sokolowski, a 21-year-old conscientious objector, had offered to do community service instead, saying he refused to serve in the armed forces for "religious and moral reasons."

Iran's Foreign Minister Arrives For Visit

LD260538 Tehran IRNA in English
0523 GMT 26 Jan 88

[Text] Belgrade, Jan 26—Iranian Foreign Minister 'Ali Akbar Velayati arrived in Warsaw Monday for a three-day official visit, his first visit to the Polish capital since his coming to office.

Velayati and his Polish counterpart Marian Orzechowski are expected to discuss expansion of Iran-Poland ties as well as major international issues. He is returning a visit to Tehran by Polish foreign minister in February 1987.

Orzechowski Receives Nicaraguan Ambassador

LD251855 Warsaw PAP in English
1818 GMT 25 Jan 88

[Text] Warsaw, Jan. 25—Poland's Foreign Minister Marian Orzechowski received here today Nicaraguan Ambassador to Poland Fanor Antonio Herrera Perez who presented his government's stand on the implementation of the agreement of five presidents of Central American states reached in San Jose.

The ambassador said that the Nicaraguan Government consistently implemented the Guatemalan agreement and aimed at national reconciliation in Nicaragua. This has been evidenced by the recent decisions on amnesty and lifting the state of emergency.

Minister Orzechowski confirmed that Poland fully supported peaceful solutions of conflicts in Central America by way of agreement, without outside interference and support. Poland refers with attention and sympathy to actions taken by the Nicaraguan authorities, reflected in the declaration by President Daniel Ortega Saavedra on January 16 and aimed at a full implementation of the agreements.

Nicaragua showed a determined political will to stop fratricidal conflicts, contributing in this way to restoring peace in that region, said the Polish minister.

FRG Official Remarks on Border Issue

LD260502 Warsaw PAP in English
2356 GMT 25 Jan 88

[By PAP Correspondent Eugeniusz Guz]

[Text] Bonn, Jan. 25—Bonn's press centre made available the complete text of a lecture delivered by Federal Minister for Intra-German Relations Dorothee Wilms in Paris today.

The lecture entitled "The German Question" makes an extensive reference to the border on the Odra and Nysa Rivers. Dorothee Wilms kept assuring the French audience that in the treaty on the foundations of normalization of December 7, 1970 the FRG had recognized Poland's western border and had no and would not make any territorial claims vis-a-vis Poland. She did not fail, however, to add that the FRG could declare this only on its own behalf and not on behalf of "Germany which in the formal legal sense continues to exist within its 1937 borders."

One wonders why Bonn, still today, keeps repeating the archaic formualtion about German reich while life itself has put it among the rubbish heap of history. This is not the legal formulation on which future relations between the two German states or between Poland and the FRG can be shaped. The unfavourable meaning is not changed either by Ms. Wilms declarations that "the FRG is not striving towards the revision of the existing borders or, less so, towards changing them by force."

These declarations, similarly as the recent declarations of Minister Genscher in Warsaw, can be welcomed with satisfaction, but they are not all that clear and unequivocal as the subject keeps re-emerging constantly both in the East and the West.

Jaruzelski Meets Blind Cooperative Delegation

LD251841 Warsaw PAP in English
1751 GMT 25 Jan 88

[Text] Warsaw, Jan. 25—President of the Council of State Wojciech Jaruzelski today received a delegation of activists and employees of the Central Union of Cooperatives of the Blind led by its President Marian Golwala. The participants in the meeting stressed that the cooperatives would not be able to perform their economic activity had not it been for a considerable assistance from the socialist state, which provides them with appropriate rebates, preferentials and powers.

The president of the Council of State expressed respect for the active attitude of blind cooperative workers and thanked them for their to-date attainments. He also assured them that the policy favouring their cooperative activity would be continued.

"Our state, our society is lively interested in further vocational and social rehabilitation of the disabled which is to restore the feeling of full social usefulness to them and which at the same time is of advantage to this country's economy," Wojciech Jaruzelski said.

The cooperative movement of the blind affiliates now 32 cooperatives and 120 branches that employ a total of 20,000 workers, including more than 10,000 blind people and about 3,000 disabled ones.

The value of the 1987 production provided by the movement exceeded 26 billion zlotys.

Jaruzelski Meets Economic Society Activists

LD260936 Warsaw PAP in English
2318 GMT 25 Jan 88

[Text] Warsaw, Jan. 25—Wojciech Jaruzelski met here today with a group of economists and activists of the Polish Economic Society (PTE)—organizers of the Congress of Polish Economists held at the end of November 1987.

The congress was devoted to the most important problems of Poland's economy connected with the reform's processes and was held against the background of Poland's position in the world and its role in civilizational progress.

Presenting the course and most important conclusions following from the debate, the economists stressed that its general evaluation permitted to speak about a considerable integration of the economists' milieu around the problem of Poland's economic development, as well as the growing feeling of common responsibility for the progress of the economic reform, including deep concern for the effectiveness of its second stage.

The congress also discussed issues which are particularly relevant today such as the price-income policy and effective measures of balancing the economy.

The congress expressed concern over Poland's future fate in the dimension of civilizational progress. This concern results mainly from the growing technical and technological gap with a simultaneous inability of moving outside and a lack of innovative concepts of foreign economic policy. Despite the fact that the policy is still to a great extent governed by external limitations, at the same time there have appeared potential possibilities of change in this regard.

It was stressed during the meeting that the congress devoted much space to social and political determinants of economic undertakings. Attention was drawn to the fact that social peace was still being achieved through the shaping of the incomes of various social groups in a way connected not only with economic effects but also with the demanding postures especially of the groups which are important to the economy.

The congress also opined on reformatory undertakings, especially on the restructuring of the centre. It formulated an opinion that the main problem was the shaping of appropriate models of the functioning of the individual institutions of the reformed centre and the relations between these and enterprises. It was said that the sole criterion for the selection of managerial cadres should be their usefulness in fulfiling the goals set before them.

Wojciech Jaruzelski highly rated the economists' congress and spoke with esteem about the substantive content of the issues raised during the discussion. He stressed that the party's and state's leadership would acquaint itself in detail and make appropriate use of the proposals and conclusions presented by the economic milieu.

Sejm Report on Budget, Fiscal Plan

AU251705 Warsaw TRYBUNA LUDU in Polish 22 Jan 88 p 5

["Summary" of report delivered to the 21 January Sejm session by Deputy Danuta Juzala: "The 1988 Draft Budget and Fiscal Plans"]

The budget is to ensure the realization of the Central Annual Plan for 1988, which is a special year because of the implementation of the second stage of the economic reform. The Sejm Commission of the Economic Plan, Budget, and Finance, the Legislative Commission, and other commissions think that the draft fiscal plans do not warrant the optimistic assumptions of the 1988 economic plan, that the national income's rate of increase can be speeded up, because the fiscal balance continues to worsen.

The proposed fiscal balance sheet shows a deficit of Z568 billion and the draft central budget shows a deficit of Z369.6 billion.

The draft central budget provides for a 40-percent increase in producer prices and for a 27-percent increase in retail prices, excluding the results of the price hikes for alcohol and tobacco.

Nor does this draft include the results of the 1986 prices hikes, which amount to 11 percent, according to the Polish National Bank.

In their speeches, the deputies have stressed that this is a considerable increase in prices, one which will greatly affect the cost of living.

They have also pointed to the people's discontent with the government's proposals regarding the cash compensation for the working and retired people.

They have been especially critical of the list of the basic commodities that should determine the compensations for price hikes. After stormy discussions the Sejm Commissions noted that it is necessary to suitably increase the list of those commodities and to raise direct compensation. The state budget amounts to Z6,036.6 billion and expenditure to Z7,441 billion.

It is the first time that the budget planned for 1988 does not include the fees paid into the Social Security Agency, because they are now paid into the Social Security Fund. The budget income has also been cut by Z90 billion, because now the sinking fund payments go to the Industrial Structural Changes Fund.

The most important expenditure items of the Z7,441 billion state budget are: Price and service subsidies (21.6 percent); subsidies for enterprises (7.4 percent); educational subsidies (7.7 percent); medical care, social welfare, sports, tourism, and recreation (10.8 percent); and investments and capital overhauls (16 percent).

The waiving of housing construction loans and interest costs the budget Z252 billion.

Although social and cultural expenditures account for a large part of the budget, they are still not enough to meet the needs.

The government's draft state budget shows a deficit of Z370 billion. The deputies have indicated that this deficit could be reduced, and the government has agreed that this is possible. It is true that this deficit will be larger in absolute figures than last year, but its purchasing will be lower.

Responding to demand, the Polish National Bank has made the necessary changes in the draft loan plan and has thus reduced the budget deficit by Z100 billion.

An analysis of the budget payments made by enterprises and other units show that turnover taxation continues to diminish, but that income taxation continues to increase. In 1988 the share of turnover taxation will be 32.2 percent (40.6 percent in 1987) and of income taxation will be 50.9 percent (38.7 percent in 1987), while the basic share is 65 percent. This can be achieved if the share of income taxation in the profits of enterprises is not below 40 percent. Deputies have criticized this state of affairs and have proposed that this solution should be regarded as temporary.

The draft fiscal plans also show that the present income taxation policy vis-a-vis enterprises does not prevent the overexcessive accumulation of resources in enterprises, especially in the Development Fund. However, this does not change the fact that there are great differences in the fiscal situation of enterprises.

The Sejm Commissions have acknowledged the Planning Commission's information that the social resources of the National Fund for Health Protection and for School Assistance will now be regarded as the population's resources. However, this decision will cause crucial results insofar as accounts with the state budget are concerned. The subsidies for prices and services will increase 22.1 percent, including a 28.8-percent increase for food, a 30.7-percent increase for nonfood consumer goods, and a 44-percent increase for housing cooperatives. It is important to bear in mind that subsidies have to be increased because of price hikes for producer materials, energy, and machines. This applies especially to food subsidies, because food producing machines cost about 30-90 percent more. In addition, increases in subsidies have been caused by increases in housing cooperative subsidies.

Investments and capital overhauls, which will increase 28.1 percent compared with 1987, are another burden on the budget.

Appreciating the view of the Socioeconomic Commission, the Sejm Commissions noted that a revision of investment expenditure could reduce the budget deficit.

Price-income policy has created much controversy. The size and intentions of price-income operations have not raised any objections, but crucial discontent has been expressed with the list of the commodities on the strength of which direct price compensations are to be calculated. The commissions did not make any calculations as to the size of these compensations because the law delegates this function to the government, which has to consult trade unions beforehand.

Following the discussions by the commissions, the government has corrected the budget bill so that the budget deficit can be reduced from Z369 to Z269 billion.

Having discussed the draft fiscal plan and having heard the arguments of the government representatives, the Commissions of the Economic Plan, the Budget, the Finance, and Legislation have authorized me to ask this honorable House to accept their report and to adopt the modified 1988 budget.

The draft loan plan, the balance sheet of personal incomes, and the principles of 1988 fiscal-loan policy submitted by the Polish National Bank reflect the bank's fiscal-loan policy in 1988.

The bank has adopted the principle that fiscal-loan policy should prevent the overexcessive issuance of money to overcome inflationary trends and to increase the role of money in the economy.

The amount of money, including borrowed money, in circulation will be determined by economic considerations, which means that savings coerced by shortages of goods and services will not be regarded as a source of increases in loans.

The estimated increase in loans for the socialized economy will amount to 119.8 percent in 1988, including a 116.9-percent increase in turnover loans.

The draft loan plan shows that enterprises' own funds will be responsible to a greater extent for financing increases in enterprises' turnover funds.

The share of bank loans in financing enterprises' turnover funds will be reduced from 30 percent in 1987 to 25.7 percent in 1988.

The increase in turnover and investment loans for individual farms and for the nonfarming nonsocialized economy will be compatible with the 1988 Central Annual Plan and social needs.

But the loans to finance the purchases of goods and services by installments show a lower dynamic—198.2 percent. [as published] This dynamic may be insufficient in view of the population's economic situation.

The bank loan to finance the Z369-billion deficit of the state budget was the item of the draft loan plan that showed a great dynamic.

The Sejm Commissions have reduced this loan by Z100 billion to Z269 billion. The draft loan plan envisages that at the end of 1988 the state budget will owe Z1.192 billion to the banks.

It should be stressed that it is the first time the Polish National Bank presents a fully balanced loan plan.

The balance of people's incomes and expenditures will play a very important role in financial and market policy.

A disturbing phenomenon in this balance of incomes and expenditures is the further deterioration of the balance between the people's purchasing power on the one hand and supplies of goods and services on the other. The positive trends that appeared in this sphere in 1983 and 1984 have disappeared again.

From the draft balance of incomes and expenditures, it emerges that the rate of growth of people's incomes will be 150 percent, including a 142.5 percent growth in wages, 158.4 percent growth in social benefits, 146.7 percent growth in proceeds from the sale of agricultural produce, and 190 percent growth in incomes in the nonagricultural part of the state economy.

The success of the draft balance of incomes and expenditures will largely depend on a suitable wages policy in materials production. The practice of recent years shows that all participants in the economic process have to adopt a firmer approach toward the accepted regulations and observe them more closely.

The continuation of unfavorable relations in the field of wages and prices testifies to the weakness of mechanisms governing wage resources.

The formula of minimal wage rises in some enterprises, planned for 1988, has been generally criticized as antimotivational, given the size of the planned price rises. In the commission's opinion, it would be better to bring wages closely in line with production figures. An important point stemming from the planned prices and incomes policy, and one having a major influence over general economic equilibrium, is the Polish National Bank's idea of altering the interest rates on bank savings accounts and bank credits, whereby the maximum interest rate would be 30 percent. The actual rates of interest would depend on price increases, so as to safeguard the real value of fixed-time deposits and credits.

With the permission of the Economic Planning, Budget, and Finances Commission, I move that the commission's report be adopted and that the House adopts a resolution on the credits plan; balance of people's incomes and expenditures; and principles of 1988 financial-credits policy, taking account the proposed amendments, said Deputy Juzala.

The draft state balance of payments for 1988 is the next financial plan. It concerns trade with socialist countries and capitalist countries.

From the documents that have been presented, it emerges that Poland's payments situation continues to be very difficult. The foreign debt and the problems with servicing them are causing a lot of concern.

The principles of the draft balance of payments vis-a-vis the socialist countries are the result of a multilateral coordination of the 1986-90 plans of the CEMA countries and an expression of constantly developing ties with the USSR.

The draft 1988 plan envisages a further improvement in this sphere. For the first time in 10 years, trade is to close with a surplus of R105 million transfer.

The commission supports the Socioeconomic Council's stance to

—Develop direct links between CEMA enterprises;

—Introduce and improve economic instruments which, when adapted to the system of transactions among the CEMA countries, should boost exports;

—Commence and develop joint production and trade on the basis of the institutional changes in other socialist countries.

In addition, imports from CEMA countries should be on a selective basis, with preference for those commodities that stimulate production and investments in our economy.

The $470 million deficit contained in the draft balance of payments has caused concern among Sejm deputies. Deputies have pointed out the very cautious estimated growth in trade with countries in the so-called second area of payments. On the basis of the positive trends in the development of trade with Western countries in 1987, it is possible to obtain better results in 1988 than the ones envisaged in the draft balance of payments.

Compared with the 8 percent growth in exports in 1987, the 3.8 percent growth envisaged by the draft plan is unsatisfactory. Following a discussion, the committee concluded that in view of the impossibility of increasing exports production above the level laid down in the 1988 Central Annual Plan or dispensing with goods destined for the domestic market, an unbalanced balance of payments should be adopted.

With the permission of the Economic Plan, Budget, and Finances Committee, I move that the House adopts a resolution on the 1988 state balance of payments, said Deputy Juzala.

Sejm commissions have also examined the draft plans of the Central Cultural Development Fund, State Vocational Activization Fund, Foreign Debts Servicing Fund, and Central Scientific-Technological Development Fund. I also move that these be adopted, said Deputy Juzala.

The Economic Plan, Budget, and Finances Commission and Legislative Procedures Commission, as well as representatives of other commissions, have examined with

great dedication and in great detail the government draft budget law and draft resolutions according to which our economy is to function in 1988.

As a result of this examination, the drafts have been amended, and proposals have been put forth on a special resolution to expand the Sejm's control over the performance of plans. In this connection, a resolution has been drafted in which the Polish parliament, referring to the state's basic financial plans, expresses its opinion on the progress in reversing negative phenomena in the Polish economy.

At the same time, the draft Sejm resolution obliges the government to present the Sejm with an assessment of the present financial and market situation by the end of June.

In addition, the Sejm resolution obliges the government to take urgent and very decisive action aimed at increasing supplies and improving economic equilibrium, work out and present to the Sejm a program of undertakings to prevent inflation, and the annual analyses of the standard of living.

The deputy moved that the Sejm adopt the presented draft documents.

Economist Discusses Management Reform Aspects
PM211741 Lublin SZTANDAR LUDU in Polish 28-29 Nov 87 p 5

[Interview with Prof Jozef Kaleta of the Wroclaw Academy of Economics by Anna Mankowska; date, place not given]

[Text] [Mankowska] Professor, you are known to our readers as an advocate of radical economic reform in Poland. You expressed your views in many publications and public appearances, criticizing the past solutions for their ineffectiveness and for being mere half-measures. In view of this, how do you assess the implementation program for the second stage of the reform?

[Kaleta] Favorably—because it is a big step forward. The program contains a lot of excellent, bold solutions. The consistent implementation of these solutions can release enormous untapped potential existing in our economy, thus improving the living standards of the population. Special approval should be reserved for all those features which point to the radical character of this program: restoration of market policy; opening up to the world; equal standing for all sectors; consolidation of self-management; adjustment of hard currency exchange rates, and so on. It is evident that the introduction of a well-functioning system of incentives can contribute to reducing the number of absences at work and improving goods quality; a lifting of the present rules and regulations which are making export unattractive can galvanize our exporting capacity; and a reform of the tax system can contribute to a substantial expansion of the handicraft industry, small-scale manufacturing industry, Polonian firms [set up in Poland by Poles living abroad], and joint partnership companies involving foreign capital. In its turn, revalorization of savings should encourage the population to save. Opening a share market to natural and juristic persons—Poles as well as foreigners—could encourage an influx of foreign capital into the country and bring about the investment in our economy of the 3-4 billion dollars currently in the hands of Polish citizens. The intended abolition of the cost-price formula will contribute to a reduction in prime cost, and so on.

One thing is important: to turn words into actions this time, and to keep our resolution from flagging. Integrated reformatory operations will lend the authorities more credibility in the public eye, which will doubtless make the public more willing to involve itself more fully in the business of improving the system according to which the state and the national economy operate.

[Mankowska] At the Lublin conference for economists you began your address with these words: "I would like to infect you with my optimism as regards the question of the implementation of the economic reform." Where does your optimism stem from?

[Kaleta] Simply from the conviction that the glaringly faulty economic system must not be allowed to operate any longer if we do not want to see the technological gap between Poland and the highly developed countries widen even further and if we all want to live a better life and to prove that socialism is a living, reformable system. Naturally, I am also a realist and I can see the numerous barriers and obstacles hindering our progress toward that crucial reform and its speedy implementation. There is no doubt in my mind that the reform must be carried out promptly and decisively. Protracting its implementation will only lend more strength to its adversaries.

[Mankowska] What conditions should be met, then, if the radical reform is to succeed?

[Kaleta] First of all the authorities must show an authentic determination in this matter, expressed in deeds rather than words. In the past this looked very different. For example, there was talk about the need to encourage and develop various production initiatives, but unofficial instructions issued by voivodas prohibited the creation of Polonian firms in 25 voivodships. Within the central state apparatus many ministers openly asked for restoration of the command-directive system of management. Banks would attempt to declare inefficient enterprises bankrupt but the latter would find protectors to defend them, and so on. Now words must be backed by deeds.

[Mankowska] To a large extent they already are. The government has recently disclosed the number of tasks out of the reform implementation program that were completed in October. Eight out of the nine tasks had been carried out.

[Kaleta] Indeed, this is a good prognostic of the changes to come. The recent reductions in the central administrative apparatus should also be put on the credit side although, in my opinion, they only constituted a first step. Numerical cuts should also be made in the central union of cooperatives, central offices of individual industries and sectors, and other administrative bodies. The whole bureaucratic apparatus has demonstrated its opposition to reform. Another necessary condition for a prompt implementation of the reform is replacement of personnel in top managerial positions. People who have demonstrated little or no success in reforming the economy should go. Implementation of the tasks associated with the reform should be consistently resolute. Yet another necessary condition for the success of the proposed changes is that the reform must be coordinated with the overall economic policy and that the rules of the game must be guaranteed to remain firm and stable over a long period of time. An absolutely essential condition of the reform's success is a profound democratization of our public and political life as well as consolidation of the system of enterprise self-management. Skeptics say that joint management of enterprises with strong self-management bodies resembles driving a car with the assistance of a backseat driver. I do not share this view, although it stems from our unhappy past experience. Participation of work forces in joint management of enterprises is a fundamental condition in the task of reforming the economy. Our bureaucratic apparatus identifies itself with socialism and decries every attack against itself as an attack against socialism.

[Mankowska] One of the most difficult operations of implementing the reform is bringing prices back to realistic levels, that is, restoration of their correct economic relationships. The public feeling is that realistic prices must inevitably be followed by a decline in the living standard and a long-lasting austerity period. Is that fear well-founded?

[Kaleta] An economic reform leading to a decline in the living standard would be rejected by everybody. The public feeling of apprehension has its source in the fact that all the price increases we have had to date failed to bring the expected results. Now the main emphasis is laid on the fact that the major factors in balancing the economy will be development of the production and increased goods supply. The low prices of coal, gas, electricity, steel, etc. are not conducive to economical consumption of these commodities. On the contrary, they encourage people to use them excessively and wastefully. In turn, the practice of setting the prices of many goods and services below their production costs distorts the economic calculation of costs and profits not only in individual enterprises but throughout the entire national economy. Consequently, the economy suffers enormous losses.

It is also worth remembering that the budget subsidies on rents, coal, or gas, are more often to the advantage of those who are well-off than those who are poor. If we increase the prices of coal, energy, steel, and so on, we will at the same time reduce budget subsidies for unprofitable enterprises. The funds we will obtain in this way can be used for increasing age and invalidity pensions as well as employees' wages, and reducing enterprise taxation. The talk, then, is of bringing prices to realistic levels and at the same time compensating price increases of basic goods. And this operation, which will place the economy on a sound basis, should not be accompanied by a dramatic lowering of the living standard of the population. Unquestionably, people who are inefficient, incompetent, or unjustifiably privileged will lose out by the reform, as will those who do not like to work. The enterprising, the talented, the competent, and the hardworking will gain by it.

[Mankowska] One hears the objection that the operations planned for the second stage of the reform in Poland are contrary to the fundamental canons of socialism. What is your opinion on that, Professor?

[Kaleta] Dogmatists keep accusing supporters of the reform of undermining the principles of socialism and attempting to restore capitalism in Poland. They have been trying to demonstrate that it is unrealistic to replace the construction of yet more coal mines and steelworks by building hotels and setting up small agricultural and food manufacturing enterprises, developing the private handicrafts sector on a larger scale, creating Polonian firms and joint partnership companies involving foreign capital, restoring capital market, and so on, and so forth. All that is indeed contrary to the principles of socialism—that is, a socialism understood dogmatically, a socialism in which everything must be nationalized and centrally planned, with the obligatory primacy of the means of production, with bureaucracy reigning supreme, with the practice of party nomenklatura firmly in force, with egalitarianism, with the housing waiting lists averaging 20 years. and so on. But socialism can be also understood differently, in the way the present Soviet and Chinese leaders understand it: as a system that is not bureaucratic but humanistic, that is more people-oriented, where there need be no poverty nor lines in front of stores, where enterprise and initiative are encouraged rather than squashed, where the economic experience of highly developed countries is adapted and used.

Both Soviet and Chinese leaders are right in their assertion that the classic Marxist writers could not and did not formulate a set of ready recipes for application at different times and different conditions, that the theoretical precepts of socialism must be constantly verified in practice, and that we must constantly search for newer and better practical solutions. Gorbachev states that there is no need for making attempts to justify economic practice by the ideological content of and quotations from the works of Marx and Engels. Socialism must not be based on a collection of dogmas that are meant to be adhered to forever and ever. It must not be treated as a

religion; besides, even religions undergo constant modernization. Marx, Engels, and Lenin changed their views about the nature and the working principles of socialism several times, but our contemporary dogmatists—those that refer to themselves as "true Marxists"—keep quoting lines from the works written by Marx and Engels 100 years ago and consistently ignore the social and economic realities existing in our country today.

It is, therefore, necessary that we wage a more determined war against such attitudes. We should follow the good example of the two countries, the Soviet Union and China, where, as we know, dogmatists are being increasingly ousted by progressive social forces.

[Mankowska] Thank you for talking to me.

Further on Ceausescu Birthday Celebration

'Decree-Decision' on Award

AU251822 Bucharest Domestic Service in Romanian 0914 GMT 25 Jan 88

["Decree-Decision" on awarding President Nicolae Ceausescu the title of "Hero of the SR of Romania:" and the "Victory of Socialism" Order, read by an unidentified person during the solemn meeting devoted to Ceausescu's 70th birthday and the 55th anniversary of his revolutionary activity held in Bucharest on 25 January; live]

[Text] For long-standing, heroic, revolutionary activity and the ardent patriotism, boldness, dignity, and courage showed in the struggle to defend the interests of the workers' class, the homeland's freedom and independence, social and national justice, and the well-being and progress of the Romanian people, for the decisive role played in setting up the general strategy of socioeconomic development of the homeland, for the decisive contribution to developing and modernizing production forces, industry, agriculture, and all branches of the national economy, and to constantly asserting the scientific-technological revolution and the new agrarian revolution, to increasing the role of science, education, and culture, to continuously raising the material and cultural level of the whole nation, and to building the comprehensively developed socialist society and ensuring the progress toward communism, for the fruitful and intensive activity devoted to strengthening the leading role of the RCP—the central core of the whole nation—in all the activity of socialist construction in our homeland, to constantly perfecting the functions of the state, developing the workers' revolutionary democracy, and to creating a broad democratic framework, which ensures the direct participation of the working people in the management of all the socioeconomic fields and of the whole society, for the decisive contribution to developing revolutionary thinking and practice in our country and to substantiating and establishing the directions, objectives, and orientations on the future development of Romanian society, and to enriching the heritage of scientific socialism and of the universal knowledge with new theses, concepts, and original ideas of priceless value, for the brilliant and tireless activity carried out in the international arena, for the valuable initiatives and the outstanding actions devoted to defending peace, to achieving nuclear and conventional disarmament, to solving the complex problems of our times through negotiations, to eliminating underdevelopment and to establishing a new international economic order, for the essential contribution to strengthening Romania's friendship and cooperation with socialist countries, with developing countries, and with all countries of the world, regardless of their social system, for the decisive contribution to substantiating and drafting all the foreign policy of our party and state, and continuously increasing Romania's prestige in the world, expressing feelings of boundless love and great esteem, of high appreciation for the entire activity devoted to the supreme interests of the nation, of the progress and prosperity of the homeland, as a sign of the profound homage, high esteem, and gratitude of our whole party and people, on the occasion of the 70th birthday and the anniversary of more than 55 years of constant, heroic revolutionary and patriotic activity, the PEC of the RCP Central Committee and the State Council of the SR of Romania decide and decree:

—Sole article: the title of supreme honor "Hero of the SR of Romania," the "Victory of Socialism" Order, and the Jubilee Medal are awarded to Comrade Nicolae Ceausescu, RCP secretary general and president of the Socialist Republic of Romania.

Ceausescu Addresses Gathering

AU251217 Bucharest Domestic Service in Romanian 0942 GMT 25 Jan 88

[Speech by Romanian President Nicolae Ceausescu at a solemn meeting devoted to his 70th birthday and the 55th anniversary of his revolutionary activity held in Bucharest on 25 January; Live]

[Text] Dear Comrades: I am deeply moved by this great solemn meeting and by all the manifestations that have been organized to celebrate my birthday and particularly the 55 years of my revolutionary activity in the workers movement and among the ranks of the Union of Communist Youth and of our glorious Communist Party. [applause]

Therefore, it is difficult, very difficult for me to find the best words in order to express everything I would like to say in these moments, which are very special for me. [applause]

At this celebration, my thoughts are first of all directed toward our great party, the leading political force of our whole nation—which is honorably fulfilling its historical mission—toward our wonderful workers class and all the working people, regardless of nationality, toward the peasantry, intelligentsia, and all our people, whom I extend heartfelt thanks for their manifestations of love and confidence; I also extend to them wishes for newer and newer achievements and accomplishments in their work and life, with a view toward ensuring the continuous development of our homeland and raising it to new pinnacles of progress and civilization. [cheers, chants]

I extend warm thanks to the RCP Central Committee, to the State Council, the Government, the Grand National Assembly, and the Socialist Democracy and Unity Front for the congratulations and well wishes extended to me and for the appreciation expressed for my activity mentioned in the messages conveyed to me. I consider all this appreciation as a reassertion of the correctness of the general Party line substantiated by the collectivity of the Party and state leading bodies and of the correctness of the practical activity carried out by all the working people to build socialism and the comprehensively

developed socialist society and ensure Romania's unswerving progress toward the golden dream of mankind—communism. [cheers, chants]

Likewise, I extend heartfelt thanks for the award of Hero of Socialist Romania and the high distinctions given to me, distinctions I consider a sign of appreciation of the activity I have placed in the service of the Party, the people, and the cause of socialism and as a homage paid to the Party within the ranks of which I have carried out my entire activity. [applause]

I also extend the same warm thanks to all the county party committees and party organizations for the messages conveyed to me. Likewise, I extend heartfelt thanks to all the mass and civic bodies, state bodies, and the workers' democratic revolutionary bodies for the greeting messages and congratulations extended to me on this occasion. [applause]

I would like to particularly extend warmest thanks to the pioneers, the falcons of the homeland, and the youth of our homeland for the warm messages conveyed to me, which, in a way, reminded me of the period of more than 55 years ago, when I started my revolutionary activity. Today, the children of our homeland have all they need for their studies and their life; they can progress toward a free and bright future, can think of the golden dream, and an aim at fulfilling their greatest dreams. It is worth doing all we can for the future of our nation, of all the children of our homeland, of all the nations and children everywhere; let us do all we can for a better world of peace and cooperation. [cheers, chants]

All these manifestations and all the appreciation and congratulations extended to me on the anniversary of my long standing revolutionary activity I consider as an acknowledgement of the fact that in the more than 55 years of my revolutionary and communist activity I have always fulfilled the missions entrusted to me by the Party and by the people, and in all the circumstances I have served the cause of socialism and communism, the general interests of our nation, the cause of Romania's independence and sovereignty, and the cause of peace and cooperation throughout the world. [applause]

Dear Comrades: At the celebration of my 70th birthday and especially of more than 55 years of revolutionary activity, my thoughts go back in time to several centuries ago. Therefore, I believe that I should very briefly refer to some important events in the history of our homeland and of our Party. The longstanding struggle waged by our people, by the most progressive forces, and by the workers' revolutionary movement to form our people, our nation, the Romanian language and culture, and the national unitary state is well-known. In all this activity, the people have always been the true driving force, which ensured the development of our nation and homeland and its advance on the path of progress. The people are the true forger of history and of our homeland. Therefore, it is the people to whom we have to extend all our thanks and whom we have to pay homage. [cheers, chants]

I would like to be well understood. I do not deny the role played by activists, by personalities in the history of our homeland, and by progressive forces. But, they could not have achieved anything without the support of the people, without the unity of the whole nation, and without its firm determination to build a free and independent future. [applause]

The achievement of the uniform national state in 1918 opened up new prospects for the development of the production forces and to the general development of our country. Nevertheless, we must openly state that, the expectations of the workers class, of the peasantry, of the intelligentsia, and virtually of all our people could not be fulfilled because of the policy promoted by the exploiting bourgeois-landlord classes and because of the strong imperialist domination over Romania. At the end of the third decade and the beginning of the fourth decade, Romania's situation was increasingly difficult. The oppression of landlords and capitalists was increased by the domination of the foreign imperialist monopolies, which owned more than 50 percent of the national economy. Under these circumstances, the struggle of the people's masses against the foreign oppression and domination increased to a great extent. The workers movement, particularly the Romanian Communist Party—created at the beginning of the third decade—played an important role in organizing and leading the class struggle against social and national oppression and against foreign domination. We must stress the fact that the worsening situation in Romania was closely connected with the great world economic crisis, which involved all of mankind and had very serious effects on our country. Under these circumstances, I joined the workers' revolutionary movement and then the ranks of the RCP. I came to Bucharest in 1929 and in 1930 I joined the youth trade union movement, the Union of Communist Youth [UCY] and in 1933 I became an RCP member. These were years of strong class struggle but also years in which the activity and the struggle against fascism and against the danger of war increased. These were the years when fascism developed in the world and the nazist dictatorship was set up in Germany; in Romania, the Hitlerite Iron Guard grouping increased its terrorist actions against the workers democratic forces and against some political figures with more democratic views within the ranks of the bourgeois class. It became the responsibility and the honor of the RCP to rise most decisively in defense of the interests of the people's masses and the interests of the whole nation in the struggle waged against fascism and the danger of war. [applause]

The forceful workers' strikes in 1932-1933, the great strikes in Ploiesti, and the Bucharest railroad workers' strikes in February 1933 strongly demonstrated the

organizational capability of the RCP and showed that the workers class in alliance with the peasantry and progressive intelligentsia and that the unity of all workers and democratic forces is the most consistent fighting force against fascism and for democracy. It is worth emphasizing the political importance of the strikes of February 1933, which were the first mass movements in Europe after the Hitlerite forces came to power in Germany. Those strikes demonstrated that the workers class and the anti-fascist forces, working in close unity, can bar the road of fascism and can ensure the democratic development of society, can prevent the war, and can ensure peace throughout the world. [applause]

Under these circumstances, the RCP entrusted me with responsible activities in the leadership of the anti-fascist youth movement and within the national anti-fascist committee, and then within the leadership of some youth bodies in various regions of the country. Therefore, like many party activists, I also became a professional revolutionary and devoted my entire activity to the revolutionary struggle for national and social liberation, for defending the homeland's independence, and for the cause of the Party, of the people, of socialism, and of communism. [cheers, chants]

Those were years of hard struggle, years of arrests, terror, and wild persecution. The Communists were among the front ranks of those who did all they could and even gave their lives to protect the interests of the broad masses, defend democracy and the country's independence, and ensure peace. Then hard years of imprisonment followed, of which almost two and one-half years were spent in Doftana prison. In prison, the Communists showed dignity and steadfastness and further carried the banner of the revolutionary struggle; they turned Doftana and other prisons into true revolutionary universities for the revolutionary education and fashioning of anti-fascist patriots and Communists. [applause]

The Popular Front and the unity of the workers class and of patriotic and democratic forces developed strongly in the country. At the same time, the international situation had worsened considerably. Hitlerite Germany first occupied Austria then Czechoslovakia, thereby forcefully embarking itself along the road toward a new world war. Under these circumstances, two diametrically opposed trends were engaged in a strong struggle in Romania, namely the clash between the realistic forces—among which the workers class and the Communist Party occupied an important place—and the reactionary fascist forces, which acted to throw Romania into the war on the side of Nazi Germany. We must emphasize the fact that, in the first [passage indistinct]. Then followed the great Mayday demonstration [word indistinct], which was the largest such mass action [passage indistinct].

The establishment of the military-fascist dictatorship in our country led not only to the establishment of a regime of wild terror against democratic forces and all the people, but also amounted to treason against the vital national interests of the entire nation.

New and serious international events occurred on the international plane. Poland was occupied. Hitlerite Germany imposed the Vienna Diktat on Romania, which resulted in part of the country's territory being occupied by fascist Hungary. Romania was thereby thrown into an anti-national war against the Soviet Union, alongside Hitlerite Germany.

In this particularly serious situation for the existence of our fatherland itself, the RCP was the only force which consistently opposed the Vienna Diktat, acted to defend Romania's integrity, and resolutely struggled against the military-fascist dictatorship and the anti-Soviet war. One can talk a lot—and one could even write more—about those events. However, life, the true judge, has strongly proved that no understanding reached with Hitlerites has served the cause of peace and independence of nations; on the contrary, all these understandings actually amounted to strong support for paving the way for a war which has exacted such a high cost from mankind, primarily the Soviet Union. Together with many party activists, I actively participated in these events, particularly in the firm struggle of the Party and other revolutionary forces against the war, for the defense of our country's supreme interests and of Romania's integrity and independence. [cheers, chants]

Dear Comrades: Throughout the war the RCP resolutely acted to achieve the unity of the workers class and of all progressive and anti-fascist forces, with a view toward setting up a strong anti-fascist and anti-war front. As is well-known, the victory of the antifascist and anti-imperialist revolution for social and national liberation opened up a new era in the history of Romania. Our Party strongly committed itself to organizing the struggle for the country's total liberation and ensuring our active participation, alongside of the Soviet armies, in the war against foreign oppressors and fascism, until the final victory. [cheers, chants]

At the same time, the Party focused its energy on organizing itself, the Union of Communist Youth [UCY], the trade unions, and other public organizations, with a view to embarking upon profound democratic changes in the country. At the same time, one proceeded to implementing the agrarian reform, at the initiative of the RCP, even during the war against fascism. On 6 March 1945, the first democratic government was established, a government which ensured a new road of development for our country, carried out important social and national reforms, and opened up the way for the transition to implementing the socialist revolution.

At last December's Party National Conference, we drew a detailed balance-sheet of changes that have occurred in Romania and of the current stage of our state. Therefore, I do not wish to once again dwell upon these aspects now. However, it is worthwhile pointing out that, in a relatively short period of time, Romania has experienced revolutionary changes that amount to several historical

stages of development: from the bourgeois-landlord system to the comprehensively developed socialist society which we are successfully building in Romania. These were difficult years of harsh struggle, but we emerged victorious. [cheers, chants]

In this period, our country has turned from an agrarian country with a poorly developed industry into a strong industrial-agricultural country, with strong industry organized on the basis of the latest scientific-technological achievements and with socialist agriculture in the full swing of development. We strongly developed science, education, and culture and we are continuously raising the material and intellectual living standard of the people, the supreme goal of the Party policy and the essence of the comprehensively developed socialist society we are successfully building in Romania. [cheers, chants]

We should particularly emphasize the great results scored after the Ninth Party Congress, which opened up the road for the assertion of the creative forces of the workers class, peasantry, intelligentsia, and all our people. We proceeded from the need to master and creatively apply general laws and universally valid truths to conditions and realities prevailing in our country; from the need to renounce set patterns and realize that there is not and cannot be a model for the construction of the socialist or any other society; and from the need to strongly heed Romanian realities in finding the best ways and means to ensure the country's overall development. At the same time, we have always taken into consideration and will continue to heed the overall practical experience of socialist construction and of the general human social development.

Anybody can see the towns and villages of our fatherland and the general aspect of Romania. In the fatherland's overall development, we applied the principles of distributing the forces of production throughout the country. After the ninth congress, we have developed more than 180 new industrial complexes in all the country's counties as well as thousands of various industrial units in all these counties. As was stressed at the Party national conference, we have achieved a harmonious development of industry, agriculture, and other sectors of activity, something which guarantees true equality of rights and equal working and living conditions for all citizens of our fatherland and ensures prospects for Romania's flourishing, for an ever happier life, and for the real implementation of self-management in all spheres. [applause]

We broadly developed the system of our revolutionary workers democracy. We proceeded and continue to set out from the fact that we are building socialism with the people and for the people, and that the development of the revolutionary workers democracy and the active participation of the whole nation in consciously shaping its own future are decisive elements of socialist and communist construction.

As we unanimously assessed at the Party National Conference, today Romania is undergoing a new stage of development. On the basis of decisions adopted by the 13th Party Congress and of other party programs, we must work to unswervingly implement the targets concerning Romania's transition to the stage of a medium-developed socialist country and we must strive to raise Romania to new peaks of progress and civilization. [applause]

All the great achievements of the years of socialist construction are the result of the work of our wonderful workers class, of the peasantry and intelligentsia, and of the united work of all the people, who are unflinchingly implementing Party policy, which is in full accordance with the whole nation's vital interests for well-being and happiness. [cheers, chants]

In the years of socialist construction, there were many abroad who doubted our people's ability to (?become an advanced country). Unfortunately, there were even some people among our ranks who were somewhat distrustful in this respect. Some even said that it is difficult to build an advanced industrial country with a population of shepherds. However, life has proven them all wrong and showed that this nation of shepherds—who for two and one-half millenia have lived on and defended these lands—has built an advanced and modern country in record time, thereby demonstrating its creative force, the guarantee of our fatherland's bright future. [cheers, chants]

Therefore, we can look back with justified pride on everything we have achieved under the leadership of the Party in building socialism and promoting our fatherland's development. As I have already said, we are aware of the fact that we owe this to all our people; however, it is my duty of conscience to emphasize that all these results were scored thanks to our glorious Communist Party, which—from its very establishment and at the most decisive moments in time—has honorably fulfilled its historical mission of organizing the work and struggle for the socialist revolution, for socioeconomic development, and for the further enhancement of the fatherland's material strength and Romania's independence and sovereignty. [cheers, chants]

As one of the old activists with long-standing activity in our party, I can unhesitatingly declare that our Party has fully justified the people's trust and has acted and done everything to remove oppression and ensure the free and independent development of our fatherland. [applause]

There is no doubt that there were also shortcomings and certain mistakes during this long activity; however, they were not a result of the Party's revolutionary outlook or the scientific principles governing the revolutionary struggle, but rather a result of certain deficiencies and shortcomings of various Party activists and cadres. However, by firmly basing itself on the dialectic-materialist concept and on the principles of scientific-socialism, our

party has managed to remedy and eliminate on time certain shortcomings and injustices, something which ensures the firm march-forward of our fatherland along the road of socialism and communism. [applause]

Some people may say that this is not the most opportune moment for this, but I believe it is our duty to pay homage to all our Party activists and militants, who, in one form or another and at one time or another, have made a greater or lesser contribution, according to their capacity, to ensuring our fatherland's overall development. [applause]

Dear Comrades: While being proud of all our achievements and proceeding from Romania's current stage of development, we must be confident of the future and pledge to take responsible and revolutionary steps to unswervingly implement our fatherland's socioeconomic development targets. We must ensure a dignified and free future as well as long life to the Romanian people. We must work to organize all socioeconomic activity on the basis of the latest achievements of science and technology. When speaking about a new way of thinking in the development of mankind, we must proceed from the revolutionary principles of scientific socialism and from the need to base the entire activity on the latest scientific-technical achievements and of overall human knowledge.

We have wonderful programs and sure prospects for fulfilling them all. However, I would like to again mention the fact that we are at a stage of human development that requires a new and revolutionary spirit for promoting the progress of our people and all mankind; at the same time, it requires a new attitude and new understanding of the role of science and technology in the development of human society. One can assert without fear of being wrong that the future of our nation and of all mankind is linked with the continuous development of science and education and with a new and revolutionary way of thinking in all spheres. [cheers, chants]

In order to commendably achieve the great prospects for our fatherland's development, we should further strengthen the party and its leading role in all fields as well as its invincible force of revolutionary action. We must constantly intensify the political-educational activity of fashioning the new man, conscious builder of socialism and communism.

We should never forget that the irresistible strength of the Party lies in its political and ideological level, its scientific-revolutionary concept, and its unshakable unity, as well as in the Party's close links with the people. We can be sure that as long as our Party, Party activists, and the Communists are closely linked to the people, we will be invincible. Only thus can the party fulfill its historic mission to further lead the entire nation toward a better and more just world, and the golden dream, communism. [cheers, chants]

Dear Comrades: As I have already said, the struggle against fascism and war, as well as the struggle for peace have always been a main characteristic of our party's international activity. The enhancement of solidarity and cooperation with the communist and workers movement and with antifascist, progressive, and revolutionary forces everywhere has always been a feature of the activity of Romanian Communists. Therefore, I deem it necessary to reiterate on this occasion, too, the RCP's determination to ceaselessly strengthen cooperation and relations with all communist and workers parties, with socialist and social-democratic parties, and with other democratic movements and padties in the struggle for progress, disarmament, and peace. We will unswervingly strengthen relations with socialist countries, with developing countries, and with the developed capitalist states, in the spirit of the policy of peaceful coexistence; proceeding from the fact that, in the current circumstances, the only way to ensure the independent and free progress of each nation is disarmament and peace. [applause]

The new way of thinking must start out from the complete renunciation of the policy of armament and oppression of other nations and peoples, from respect for national independence and sovereignty, and from noninterference in the domestic affairs of other countries. As I have said at the Party national conference, Romania is determined to do all it can to contribute to disarmament, primarily nuclear disarmament, and to ensure peace and the supreme right of nations to freedom and independence, as well as existence, life, and peace. [cheers, chants]

The signing of the USSR-U.S. treaty on medium- and shorter-range missiles is a historic event; however, it is but a first step along the road of eliminating the huge stockpiles of nuclear weapons that can destroy mankind several times over. Therefore, it is necessary to intensify efforts to reach new agreements on reducing strategic nuclear weapons by 50 percent, halting nuclear tests, renouncing the militarization of outer space, and proceeding to a reduction of conventional weapons in Europe and throughout the world. Now, more than ever before, all states and nations in Europe and throughout the world should pool their efforts along this line. We must act to resolve all problems through negotiations and to completely renounce the use of force and the threat of force.

The world economic situation is very serious. Forecasts for next year [as heard] are gloomy; the developing countries, in particular, find themselves in an unbearable situation. Therefore, it is necessary to take resolute steps to find an overall solution to the problems of underdevelopment, particularly the foreign debt of developing countries, and to organize a UN-sponsored international conference on these matters.

We must ensure the participation of all states, regardless of social system, in resolving complex international problems. It is necessary to further increase the role of

the United Nations and other organizations in international life. The serious international situation necessarily requires the pooling of all forces to halt the dangerous course of events toward war and a nuclear catastrophe and the worsening economic situation of the developing countries. We work to establish new economic and political relations of friendship and cooperation among all peoples, thus ensuring the free socioeconomic development of each nation. Only thus can we secure mankind's future, bring about disarmament, and promote peace. Only thus can we promote a new way of thinking and action in solving the complex international problems, which can ensure a free and independent future of well-being and happiness for all nations in the world. [cheers, chants]

Dear Comrades: From the rostrum of this great solemn meeting, I would like again to extend heartfelt thanks to the RCP Central Committee, all the party bodies and organizations, the state bodies, the civic and mass organizations, and the workers' democratic revolutionary bodies for the congratulations, good wishes, and the appreciation they conveyed to me. I consider all these manifestations that are devoted to my activity to be also conveyed to the Party, among the ranks of which I have carried out and continue to carry out all my revolutionary activity in the service of the people, of socialism, and of communism. [applause]

Likewise, within this framework I extend to all participants in this meeting, to the RCP Central Committee, to all the party bodies and organizations, to all the state bodies, to the mass and civic organizations, and to the workers' democratic revolutionary bodies best wishes for success in all their activity, much health, satisfaction, and happiness. [cheers, chants]

Once again, reviewing all the revolutionary activity I have carried out for more than 55 years, I must state that these have been long years of work and struggle but also of much satisfaction. Together with many comrades from the generation of the underground struggle, of revolution, and of socialist construction, I had the pleasure of actively participating in the implementation of the great programs of building socialism in Romania and of raising the material and cultural well-being of our whole nation. For a revolution, there is not and there never has been greater satisfaction than to actively participate in the achievement of his people's aspirations for well-being, freedom, and happiness. [cheers, chants]

Now, at the celebration of my 70th birthday and of 55 years of revolutionary activity, I would like to state that, in an abstract way, if I had to begin my activity again I would work with all my energy and responsibility, completely believing in the cause of the Party's revolutionary struggle. I believe that only the revolutionary struggle, within the ranks of the RCP, can eliminate oppression and social and national inequalities, can ensure the most just society—socialism and communism—and can ensure peace. [cheers, chants]

In these solemn moments I assure the Central Committee, the Party, and all our people that in the future I will also continue to do all I can to implement the Party program of building the comprehensively developed socialist society and ensure the advance toward communism. I will never spare any effort to ensure the increasing development of production forces, of our socialist homeland, to continuously raise our whole nation's material and cultural well-being, to strengthen the material and cultural assets of the country, and to ensure Romania's independence and sovereignty. [cheers, chants]

I call on all my comrades in struggle and work, the Central Committee, all the Party and state bodies, all the workers' democratic revolutionary bodies, and all our people to work in complete unity and do all they can in order to fulfill the great objectives of our homeland's development, raise it to high pinnacles of progress and civilization, and ensure a dignified, free, and a bright future for our people. [cheers, chants]

In these solemn moments, I would like to assure all our friends abroad and all the countries and peoples of the world, that they will always have in the Romanian people an active participant in the struggle waged for a better and more just world, for disarmament, for peace, and cooperation among all nations of the world. [cheers, chants]

I again extend to all of you, the party, and the people, heartfelt thanks and wishes for newer and newer successes in all activity placed in the service of the party and of the people. [cheers, chants]

I extend to all our nation wishes for the fulfillment of all their aspirations for well-being, much health, and happiness. [cheers, chants]

USSR Awards Ceausescu Order of Lenin

AU251902 Bucharest AGERPRES in English 1748 GMT 25 Jan 88

[Text] Bucharest, AGERPRES, 25/1/1988—On January 25, Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, received Y.M. Tyazhelnikov, ambassador of the Soviet Union in Bucharest.

The Soviet ambassador handed over to President Nicolae Ceausescu a congratulatory message on behalf of the Central Committee of the Communist Party of the Soviet Union and of the Presidium of the Supreme Soviet of the USSR, on his 70th birthday and more than 55 years of revolutionary activity.

The ambassador of the Soviet Union informed President Nicolae Ceausescu that, under a decree of the Presidium of the Supreme Soviet of the USSR, he had been conferred the "Lenin" Order.

At the same time, President Nicolae Ceausescu was conveyed the warmest congratulations and wishes of good health, happiness and further successes in his activity at head of the Romanian Party and state on behalf of Mikhail Gorbachev, general secretary of the Central Committee of the Communist Party of the Soviet Union, Andrey Gromyko, chairman of the Presidium of the Supreme Soviet of the USSR, and Nikolay Ryzhkov, chairman of the Council of Ministers of the Soviet Union, of the members of the Political Bureau and the Secretariat of the CC of the CPSU.

Nicolae Ceausescu thanked for the message and the high distinction, for the wishes conveyed and, in his turn, conveyed Mikhail Gorbachev, Andrey Gromyko and Nikolay Ryzhkov, the members of the Political Bureau and the secretaries of the Central Committee of the CPSU a warm friendly salute and the best wishes of success in their entire activity. The RCP general secretary expressed his belief that the fine ties of friendship and collaboration between the two countries, parties and peoples would further develop, in the spirit of the understandings reached at top level, for the mutual benefit, for the benefit of the general cause of socialism and peace.

Ceausescu Receives Diplomatic Corps Greetings
AU252125 Bucharest AGERPRES in English
2010 GMT 25 Jan 88

[Text] Bucharest, AGERPRES, 25/1/1988—Nicolae Ceausescu, president of the Socialist Republic of Romania, received on Monday, January 25, at the State Council Palace, the diplomatic heads of mission, the representatives of some organizations accredited to Romania, who congratulated him on his 70th birthday and on the anniversary of over 55 years of revolutionary activity.

The ceremony was attended by Elena Ceausescu, Constantin Dascalescu, Manea Manescu, Gheorghe Radulescu, Ion Dinca, Gheorghe Oprea, Nicolae Giosan, Ion Stoian, Ioan Totu.

Addressing President Nicolae Ceausescu, took the floor Rodney A. Lopez, ambassador of the Republic of Cuba, dean of the Diplomatic Corps, who, in behalf of the diplomatic heads of mission accredited to the Socialist Republic of Romania, conveyed to the Romanian head of state a cordial salute on his birthday and best wishes.

We know that on this anniversary also the 55 years of political activity are celebrated, an activity to which you have dedicated most of your life, tirelessly, firmly and daringly working for the principles, conceptions and aspirations to which you have dedicated your life.

I think it is doubtless that in all social and economic transformations wrought in the Socialist Republic of Romania in the last 23 years your tireless activity as leader of the party and state stands out.

We, the diplomatic heads of mission present here, the dean of the diplomatic corps said, sustain and represent on an international and internal plane varied political and ideological opinions and stands. However, our common purpose is to develop and strengthen the bilateral relations between our countries and your homeland.

All of us know well the evolution of our countries' relations with Romania since the beginning to the day and also the possibilities and future prospects.

Sure, we are singular messengers and faithful instruments of our governments' initiatives and actions as regards the relations with Romania.

We have seen for ourselves the Romanian Government's efforts to this end, owing first of all to your personal care and initiative, which are a wonderful proof of the well-known tradition of friendship and collaboration of the Romanian people.

We all know your country, Romania's efforts in the international life, and in this context, your direct participation and personal contribution in the initiatives and demarches of the Socialist Republic of Romania worldwide. We do follow all your initiatives and proposals aimed at entrenching a climate of peace and understanding the world over.

Allow me to express our firm resolve to further work, with all our forces, to help develop more the relations between Romania and the countries we are representing in Romania,

Convinced that your government will always understand, support and assist us in our activities, not out of international courtesy only, but most of all on account of your people's traditional generosity, hospitality and friendship.

In conclusion, I would to express, on this important day, in behalf of the diplomatic heads of mission accredited in the Socialist Republic of Romania, our joint well-meaning feelings and to wholeheartedly congratulate you, your wife and comrade in political activity, Elena Ceausescu, your family and to wish you, Comrade President, good health, many happy returns of the day in the service of your people and homeland.

Nicolae Ceausescu, president of the Socialist Republic of Romania, addressed the audience. His address was followed most attentively and with keen interest, being punctuated with strong applause.

At the end of the ceremony, the attending diplomats drank a glass of champagne with President Nicolae Ceausescu.

They conveyed President Nicolae Ceausescu on behalf of the heads of state and government, the leaders of organizations they represent, and on their own behalf, wishes

of good health and happiness, of full success in his activity at head of the Romanian state, for the people's friendship and prosperity, for friendship, understanding and collaboration among nations, for the building of a climate of security and peace throughout the world.

Addresses Diplomats

AU252120 Bucharest AGERPRES in English 2021 GMT 25 Jan 88

[Text] Bucharest, AGERPRES, 25/1/1988—Speaking on Monday, January 25, before the ambassadors, heads of diplomatic missions and representatives of diplomatic missions accredited in Romania, whom he received at the State Council Palace, President Nicolae Ceausescu warmly thanked for their congratulations and wishes, for their words of appreciation for the Romanian people's policy of peace and collaboration with all the states of the world.

I am glad to note, on this occasion, too, that Socialist Romania's international activity for peace and collaboration with all world nations, irrespective of social system, has led to broad relations with states on all continents, that the principles underlying our links with all the countries—full equality, respect for national independence and sovereignty—enjoy ever broader audience and are today the sole principles providing for lasting interstate relations of friendship and collaboration, the Romanian head of state said.

On the basis of collaboration with your states we have developed broad economic, technical and scientific ties and through the ever more concerted action of all peoples and states a number of positive results or, better said, a beginning was made on the road to nuclear disarmament, to a new-type policy providing for the complete liquidation of nuclear weapons, the radical reduction of conventional arms, the achievement of new-type links to put an end to the use and threat of force, for firmer actions for the settlement of various conflicts through negotiations. President Nicolae Ceausescu reiterated Romania's concern—which is snared by other states as well—for a solution to underdevelopment-related questions, to the problem of the developing countries' foreign debts in the first place, for a new world economic order.

As I pointed out at our New Year's meeting, the Romanian head of state further said, we should like this year to see the resolution of many of the complex problems in today's world.

Romania, he said, will do everything possible to develop its links with all the states it has diplomatic relations with and we should like this year to bring more important achievements in all areas.

It is in our interest, in the interest of all the states and peoples to work so as to solve many of the problems that cause difficulties to mankind today. It is in our interest, in the interest of all states and peoples to find solutions, through negotiations and by political means, to all problems, to do our utmost for disarmament, for a world of peace and friendship among all world nations.

In conclusion, Romania's president requested the diplomatic representatives to convey to their peoples, heads of state and government the best wishes of success in their activity of developing friendship and collaboration, of building a better and more just world.

West German Paper On Yugoslav Nuclear Efforts

DW251310 Hamburg DER SPIEGEL in German 25 Jan 88 p 127

[Unattributed report: "Are the Yugoslavs working on the atom bomb?"]

[Text] The scandal about the Hanau nuclear firm Nukem has again prompted speculation about the Yugoslav Ruder Boskovic Nuclear Research Instutute. Scientists and the media have been trying for 3 years to learn about the institute's task—so far in vain. The Belgrade Government has declared Ruder Boskovic secret, while Radoslav Despotovic, the institute's director, hints at the possibility of radioactive reprocessing being tested in Zagreb—"purely theoretically." Former institute members who have left it contradict that. According to an engineer, reprocessing is being tested in Zagreb in order to produce plutonium-239, the material needed for the A-bomb. The radioactive waste material comes, according to the informer, mainly from the Krsko power plant in Slovenia, which began operations in 1981. "The material coming from there suffices for about three bombs annually." Professor Boran Leontic, the renowned nuclear research expert who was for many years a guest lecturer in the United States, appears to be skeptical: "Why the secrecy? The matter smells of a 'hot' enterprise, of experiments with radioactive material at the highest level." The Zagreb institute was financed by the Sarajevo firm Energoinvest, Yugoslavia's greatest exporter of nuclear equipment. The Bosnian firm, which has its customers mainly in the East Bloc, invested 5 billion dinar (about dm 20 million at that time), a fantastic amount measured by Yugoslav standards. In the meantime, however, there is speculation that Energoinvest was just a cover. According to press reports from Zagreb and Belgrade the money came from Libyan revolutionary leader al-Qadhdhafi with a request to build a bomb with it for him.

FEC Discusses Role of Religious Communities

AU251922 Belgrade BORBA in Serbo-Croatian 21 Jan 88 p 3

[TANJUG report: "A Discussion Open to All"]

[Text] Belgrade, 20 Jan—The FEC Commission for Relations With Religious Communities stated today that, in principle, religious communities act within the framework of the Constitution and the law, although there are also individual cases of departure from this framework and the exploitation of religion for political purposes. Within the framework of its regular activities, the Commission examined proposals which the Catholic Church and the Serbian Orthodox Church had published as a contribution to the discussion on current constitutional changes.

It is reported that the Commission stated that the hierarchies of these religious communities took it upon themselves to be included in the wider discussion on changes to the SFRY Constitution and even brought into question some of the basis principles of the social structure. The right of priests and religious representatives to be included in the wider discussion on constitutional changes is not a controversial one, neither is the right of religious communities to express interest in the constitutional changes and citizens' freedoms in the area of religious freedom.

However, by pointing out the need to redefine and explain the constitutional position and role of the LCY, other subjects and institutions of the system, and the fundamental principles of constitutional structure, the religious communities are departing from a religious framework and entering the sphere of politics.

By initiating the question of explaining and defining current constitutional regulations that concern the rights and position of religious communities and religious freedom, the church hierarchies also draw the conclusion that not all constitutional rights, guaranteed by constitutional regulations, are being realized in practice.

On this occasion, the FEC Commission for Relations With Religious Communities also assessed that those demands from religious communities, which were of a specific and practical nature, could be looked at and resolved within the framework of legally regulated and everyday practice. In all phases of its development, Socialist Yugoslavia has retained unchanged and generally accepted views on man's rights, and as part of this, also those views which relate to the freedom of belief and religion.

These principles coincide in essence with the democratic principles recognized by the international community and in the basic documents of the United Nations. Such basic and steady principles make a democratic platform for defining the position and activities of religious communities wide enough to create conditions for the equality of all citizens, regardless of their different outlooks on life. The problems that occasionally arise in practice do not give the church hierarchy the right to depart from the constitutionally established framework for the activities of religious communities.

It was emphasized at the FEC Commission session that, according to the Constitution and laws, in the legal system of this country, citizens have every opportunity to protect their rights, including those on faith and religion. All subjects of this society, sociopolitical organizations, and legal and judicial organs are duty bound to strive for a development of the legal system of a socialist democracy which would increasingly guarantee independence and freedom in expressing thoughts and religious and non-religious beliefs.

Defense Commission on Constitutional Change

AU251945 Belgrade POLITIKA in Serbo-Croatian 21 Jan 88 p 7

[Text] (TANJUG)—The LCY Central Committee Commission for All People's Defense and Social Self-Protection yesterday supported the proposal of those draft

constitutional amendments that refer to the financing of the Yugoslav People's Army and Armed Forces. The members of the Commission expect the forthcoming public debate to contribute to the incorporation into the SFRY Constitution of all those provisions that would ensure stability and permanence in the financing of the Yugoslav People's Army and Armed Forces.

The Commission's view is that problems in the financing of the Yugoslav People's Army and Armed Forces ought to be removed through systemic solutions. The current method of providing funds for the Yugoslav People's Army and Armed Forces was said to be inappropriate because it creates uncertainty among those responsible for the country's defense plans and programs, and because it creates a wrong impression in the public that the funds are spent irrationally.

SAWPY Backs Appointment to Foreign Ministry

LD221948 Belgrade TANJUG Domestic Service in Serbo-Croatian 1601 GMT 22 Jan 88

[Excerpts] Belgrade, 22 Jan (TANJUG)—The Presidium of the SAWPY Federal Conference at today's session supported the proposal to appoint Budimir Loncar, the current deputy federal secretary for foreign affairs, as federal secretary for foreign affairs. The Presidium assessed that Budimir Loncar completely fulfills the conditions and criteria in the social compact on the implementation of cadre policy at the level of the federation and the special conditions laid down for the post of federal secretary. This stance will be sent by the SAWPY Presidium to the FEC President as the next stage in the procedure.

At the session of the Pesidium, which was presided over by Milojko Drulovic, Janez Zemljaric, the FEC vice president, on behalf of FEC President Branko Mikulic, put forward the proposal that Budimir Loncar be appointed federal secretary for foreign affairs. Zemljaric stressed that Branko Mikulic and the FEC are of the opinion that Budimir Loncar will perform successfully the job for which he is being proposed.

In his introductory explanation Janez Zemljaric said that, following the election of Raif Dizdarevic as a member of the SFRY Presidency, the need had arisen to speed up the procedure for the appointment of the federal secretary for foreign affairs. He said that Yugoslavia is about to take part in important international activities, citing the forthcoming meeting of the foreign ministers of the Balkan countries and other activities in the international sphere.

The vice president of the FEC stressed that, during consultations in republics, provinces, and federal organs they proceeded from the stand that a candidate for the head of Yugoslav diplomacy must be acquainted with international political and economic relations and the overall international policy of Yugoslavia. It was also considered that the candidate must come from the ranks of eminent diplomatic or sociopolitical cadres, knowing at least one foreign language and that ability and knowledge must be more important than from which republic or province they come from. On the basis of these criteria, pointed out Zemljaric, several candidates were originally put forward—Budimir Loncar, Zivan Berisavljevic, Milojko Drulovic, France Setinc, and Ignac Golob. [passage omitted]

Taking part in the discussion Franc Setinc, member of the LCY Central Committee Presidium, stressed that the LCY Central Committee Presidium agreed with the proposal that Budimir Loncar should be appointed federal secretary for foreign affairs. He said that Yugoslavia was faced with important tasks in foreign policy and that it was important to select a candidate who would successfully carry out this duty, enjoy good reputation and respect and ensure the continuity of Yugoslavia's foreign policy. Setinc noted that other officials put forward as candidates also have the necessary qualities for this post. [passage omitted]

Accountants Conclude Agrokomerc Audit

AU261449 Belgrade BORBA in Serbo-Croatian 20 Jan 88 p 1

[Blazo Sarovic report: "Agrokomerc Affair Began in 1984"]

[Text] Belgrade, 19 Jan—After the Agrokomerc affair broke 6 months ago, the Social Accounting Service conducted a 3-month long audit and presented the public with the findings of its inspectors. One must point out at the outset that the investigation did not discover much more that was not already known by the public.

Velimir Maskovic and Momcilo Grahovac, assistants to the director general of the Social Accounting Service, presented journalists with a voluminous book containing inspectors' findings, a book that makes some details clearer and places illegal dealings in Velika Kladusa within the framework of formal sanctions as prescribed by the law.

There were 62 inspectors "with official authorization" working on the Agrokomerc audit. In addition to investigating the 56 basic associated labor organization and work organization that are a part of Agrokomerc, the inspectors also had to check 32 organizations all over the country that had business ties with Agrokomerc. If the presented findings are assumed to represent a credible picture of the position of the fake giant from Velika Kladusa, then the story of how all this could have happened without being discovered until there was nothing else to do but to sum it up, appears even more incredible. According to inspectors' findings, the bookkeeping has been conducted for a number of years in such a way that it violated all rules and laws and as such helped the efficient functioning of "Fikret's" parallel system. The farce involving bills of exchange did not, as is usually thought, start at the end of 1986 and last until

the middle of 1987. It started as far back as 1984, when Agrokomerc made a "trial" issue of 1,631 dishonored bills of exchange, then worth 20,953 million dinars, which then carried on until 30 September last year when the "production" of "fakes" rose to 6,416 bills totaling 503,963 million dinars. In the last 3 and half years of the Kladusa system's existence, there were 17,681 bills worth 1,214,936 million dinars issued. All the issued bills were guaranteed by the now officially defunct Bank of Bihac. Matured liabilities of one "issue" were covered with another even bigger issue, which partly explains the reasons for bills not bouncing.

Journalists were particularly interested in what happened with the 32 billion dinars that disappeared from the Bank of Bihac after the liquidation process had started. Maskovic claimed that, however illogical it may sound, there was nothing illegal about it, and that the problem lies in the fact that there is inconsistency between regulations on the proclamation of banks insolvent on the one hand, and those regulating the way the funds are used and disposed when the liquidation is effected on the other. According to him, the Social Accounting Service is not responsible for the newly created situation, just as it cannot be regarded responsible for inconsistencies in regulations. He informed journalists that on several occasions the Social Accounting Service had warned the relevant bodies in the FEC as well as appropriate departments in Bosnia and Hercegovina and explained what the newly created situation could lead to. Why these warnings were ignored remains to be established.

The Agrokomerc affair has, undoubtedly, exerted influence on the Social Accounting Service to start a wide-ranging review of the business activities of the users of the socially owned means of production. Out of the country's 28,000 associated labor organizations, more than 4,000 have been checked. In two thirds of those checked, some illegalities or business irregularities have been established. The greatest number of unlawful practices is in connection with payments, or rather, the failure to settle matured liabilities. Unlawful practices on the trade of goods and service is not very far behind this form of unlawful practice. In issuing dishonored bills of exchange Agrokomerc is the "master among masters" but there were also 232 other organization that were using this "invention."

Paper Criticized for Stands on Slovenia

AU241716 Belgrade BORBA in Serbo-Croatian 18 Jan 88 p 4

[V. Zagorac article: "NOVA REVIJA Again Weeps Over the Fate of Slovenia in Yugoslavia: Smoke Bombs of 'Democracy'"]

[Text] Ljubljana, 17 Jan—At this moment, any attempts that bring nothing new to the (constitutional, our note) discussion but divert attention to the other side may be fatal. We are talking about those who exclusively blame the LC for the present crisis and claim that the present Constitution has been imposed. These are those who see a way out of the crisis through the political liquidation of the LC, the establishment of a multiparty system conference, and finally the liquidation of socialism. Such positions do not take into consideration the fact that the SFRY is a result of a joint national liberation struggle on the part of all the Yugoslav peoples and nationalities under the undisputed LCY leadership in the struggle. Such extreme proposals and positions, which are not based on very the real facts nor the mood of progressive public, merely weaken and endanger the strivings for the constitutional changes which suit the interests of the Slovene people and the SR of Slovenia, obscure the real problems and polarizations conditioned by the various economic and other interests, and weaken efforts to achieve true democratization and protection of democratic rights in society.

Although it has not been said explicitly that all this refers to the articles in the latest issue of NOVA REVIJA, the assessments like this made at the latest session of the Presidium of the Central Committee of the LC of Slovenia very clearly polemize with, and reject, the "message" of a major part of texts from NOVA REVIJA No. 67-68.

Virtually the same authors who in NOVA REVIJA No. 57 dealt with "the Slovene national program" and declared themselves against the launching of the constitutional changes at a forum in the Cankar Hall last spring, which they did very loudly and with forceful labels, and disputing the legitimacy of the Slovene leadership, took a year to put their bitter discussions into shape and, using the method of disqualification, to direct their pens toward the pages of NOVA REVIJA.

Among the results of this intellectual effort, we find an assessment by Dr Dimitrij Rupel that "our political system does not allow a national representation to be formed in a democratic way, and this is the basic shortcoming of and a prospective catastrophe for Yugoslav politics."

Finding in his article points of similarity between socialism and fascism, Rupel asserts that "the most important trait of Fascism was unification and 'linking' of 'divided,' 'fragmented,' and 'unaware' units, which is illustrated by the symbol of Fascism, i.e. the 'fascio,' a sheaf or bundle of individual 'straws' or 'twigs'...it is no accident that we have sheaves in the coats of arms of socialist states!"

Pressures From the South [subhead]

"Events connected with the proposals and amendments to the Federal Constitution do not draw attention merely to the powers which are newly claimed by the federal bureaucracy, the army, the 'underdeveloped,' and so forth, but also to the nature of political life in Slovenia. Again I do not have in mind just the manner in which the Slovene political leadership wanted to pass over in

silence the disputed questions on the Federal Constitution and in which it calmly accepted the initial proposal, but also the proposals for changes in the Republican Constitution.... Slovene policy feels powerless in relation to the federation, and it acquiesces to its without reservations. It acquiesces in the sense that it respects and imitates the higher power," Rupel said.

"Deprived" Peoples [subhead]

"According to the logic of a unitarian state, which Yugoslavia certainly is, the largest body of the political and military classes is concentrated in Belgrade, or rather Serbia. The largest body of the 'workers class' (unskilled factory workers) is in the southern regions, such as Bosnia, Serbia, Kosovo, Macedonia, and Montenegro. It follows that the 'deprived' peoples or republics are those of the so-called 'northwest part' of Yugoslavia, i.e. the Croatian, Vojvodina, and the Slovenes. They are distinctly underprivileged in the latest political processes, partly because of historical burdens, as for instance in the case of Croatia. This also applies to Slovenia which, because of unitarian policy, is running out of the strength that used to distinguish it," Rupel says.

Janko Pucnik in his article "elaborates on" Rupel's theses, and he offers specific solutions to the Slovene people.

"I do not know what position the Slovene party leadership will take. It is not to be excluded that despite all the obvious arguments, the opportunistic tradition of 'democratic centralism,' covert pressure from the south, and a defeatist 'perception of necessity' will prevail. Therefore the proposal to carry out a referendum should certainly be implemented, in any case before the decisive assembly session. The proposed constitutional changes are of crucial importance for Slovenia's position and for its action and role in the coming years. Therefore the preparation of a referendum is not only justified but is also necessary. Slovene voters should decide whether they agree to the latest attempt to make Slovenia a political province and to all the consequences that would arise from it....

"Negotiations about the new position of Slovenia will certainly be difficult, will last a long time, and very probably will be full of insinuations about 'chauvinism,' 'undermining brotherhood and unity,' 'rightist deviations,' all the way to 'a betrayal of the the revolution' and so forth. The outcome is uncertain and it depends to a great extent on the broad democratic unity of political will in Slovenia and on the ability of the south to comprehend the reality of the differences in cultures and the inevitability of the national framework of a sovereign organization of social life, at least in Slovenia....

"If we are sufficiently resolute and democratically tied together, we have many possibilities. Unless the negotiations with the south succeed, we may enact the said proposal of a new Slovene constitution perhaps through a referendum or through extraordinary constitutional elections. We may react to pressure through suspending certain federal laws that obviously put a brake on Slovene development. We may recall our delegations from federal bodies. We may turn to the International Court of Justice, the United Nations or the Security Council, and so forth. If force were to be threatened, which may also occur, we must be aware that Yugoslavia is in Europe and that Slovenia is neither Afghanistan nor Kosovo. All this and the conviction that 60 years of a more or less quarrelsome 'marriage' with other peoples and nationalities have, despite everything, at least strengthened our awareness that we are not and must not be enemies, and have opened up real opportunities for the implementation of the Slovene state sovereignty in a civilized way, if possible in a federation, but in case of a total lack of understanding for our fundamental interests and rights, a different form is possible," Joze Pucnik states.

Economic Nation [subhead]

The "NOVA REVIJA people" have presented the "confederate" future of Slovenia, including secession, on several occasions recently. Among other things, this was discussed at the "Ljubljana" and the subsequent "Belgrade" meetings of the Slovene, and Serbian Pen Centers last fall.

In the NOVA REVIJA issue 67-68, Joze Snoj's article reinforced Pucnik's "scenario" of a "confederate Slovenia."

"Considering that Slovenia, which embraces 7 percent of the Yugoslav population and has 42 percent of people in employment, produces 18 percent of the Yugoslav social product and 27 percent of exports, spending less than one half of its accumulation, it means that in the future it is no longer necessary for us to creep under the wings of larger state creations in order to survive as a nation. As figures testify, we have now been economically defined as a nation."

For Spomenka Hribar, the adoption of the envisaged constitutional changes represents "a constitutional enthronement of a party-military monolith and power, which is difficult to think about."

"With the omnipotence of the party-military monolith I ask myself: Where are we 'ordinary' citizens in this political scenario? What will happen to us? Who will protect us from them, since the Constitution is not a weapon citizens can use against the state, nor is it an 'agreement' between citizens and the state, but a tool and a weapon for somebody who is above the state? For, to put it briefly, the party-military monolith has installed itself constitutionally by the 1974 Constitution, and according to the envisaged constitutional changes it is going to be strengthened in 1987, and will be 'implemented' from 1988 onward," Spomenka Hribar said.

The "Two Trends" Society [subhead]

Janez Jansa "comments" in his text on the "military question in the new Constitution" and "observes" the following, constantly stressing that the Army is a part of a society of "two trends":

"On the one hand, members of the General Staff, headed by the defense minister is more and more seriously (and publicly, which is something new!) warning civilians and of course politicians that they are incapable of solving the increasing flood of problems. On the other hand, the military top, with the help of many now civilian politicians, has adroitly incorporated several provisions into the draft constitutional changes—centralistically oriented anyway—provisions that would make the Army a subject completely independent from society, which in history was usually the last stage before the king was replaced by a general. However, one should know that power cannot be held in Yugoslavia in the Polish way, at least not over a long period. There are at least three good reasons to supporting this, but that is probably another topic," Jansa concluded.

It is obvious that after a year of pondering and gathering strength since the debates about No. 57, most NOVA REVIJA people have made almost no progress in their alleged efforts to play a constructive part in creating public opinion on current events in Slovenia and Yugoslavia. The violence of their attacks against the LC and the political leadership of Slovenia has increased.

True, Slovene dailies did not discuss No. 67-87 of NOVA REVIJA very much, apart from short reports on REVIJA's contents, although all 3,500 copies have been already sold (at 15,000 dinars per copy).

On Fearful Fears [subhead]

The latest issue of KOMUNIST published for Slovenia carries a slightly longer commentary entitled "On Fearful Fears," in which Marjan Pungartnik says that NOVA REVIJA carries a thick bundle of debates on the proposed constitutional changes. It will probably be read selectively, depending on the competence we attribute to the authors: We attribute less to ideologists, and more to citizens' opinion, while professional competence is just within the limits of critical disbelief. It is this selection that slows down the reading of the issue—there is also an ideal reading situation in which one should remove false plausibility in order to be able eventually to see the writer's or speaker's position.

"It is important to know who is speaking: a man force fed on newspaper headlines, a man who has read the proposed constitutional changes, an interpreter of an opinion poll, or a completely practically minded person who suggests this or that kind of institutional changes," Pungartnik says.

Dwelling on Dimitrij Rupel's introductory article, Pungartnik points out that "in its position and formulations one can see that it is an ideological text."

Later, polemizing directly with the article, Pungartnik says the following:

"So many things are happening in Yugoslavia that their abundance (including the aspect of their bringing something new, when concepts of social conflicts are waiting for the conditions which will enable them to develop and become real situations) is somewhat at variance with the unimaginative empiricism upon which Rupel builds his conclusions. The theory that wants to show that Serbs probably represent the greatest danger for Slovenes in Yugoslavia is a very skinny animal. Even if we forcefeed it with additional arguments from all sides, this animal will never be able to conceal its ribs," Pungartnik concludes.

It is obvious that NOVA REVIJA has come to the front rows of the public interest. Because of the insufficient information it possesses, as well as REVIJA's small number of copies, the public does not see that what is involved are old theses adorned with new arguments. However, even this will be a sufficient reason for the Republican Conference Presidium of the SAWP of Slovenia to discuss the same question as in the case of the No. 57 at the beginning of last year.

Price Increases on Coffee, Medicine Announced
LD242209 Belgrade TANJUG Domestic Service in Serbo-Croatian 2110 GMT 24 Jan 88

[Text] Belgrade, 24 Jan (TANJUG)—From tomorrow, 25 January, the prices of medicines will increase by an average of 24.6 percent, the prices of detergents by about 16 percent and the price of coffee by 19 percent.

These price corrections, which have been decided on by the FEC, are in keeping with the orientations of the resolution for the policy of realizing the country's social plan this year. The price increase is above all the result of a change in the exchange rate of the dinar, since the products concerned are either imported or require imported raw materials for their production. The producers, in other words the importers, were not able, under such conditions, regularly to supply the market.

It is estimated, according to the Federal Secretariat for Information, that these price increases will result in a growth in production prices of about 0.6 percent, in retail prices of about 0.55 percent and in the cost of living of about 1 percent.

Stipe Suvar Speaks on Economic Stagnation
LD252135 Belgrade TANJUG Domestic Service in Serbo-Croatian 1603 GMT 25 Jan 88

[Excerpt] Zagreb, 25 Jan (TANJUG)—The stagnation in economic growth that we have had since 1980 is not the result of current economic policy, as it seems to many,

but rather of structural disproportions and autarchy in the development of the whole postwar period, said LCY Central Committee Presidium Member Stipe Suvar. He was speaking today at a meeting of the Federation of Reserve Officers and the Federation of Veterans' Associations of Zagreb on current trends in society and the tasks of the LC.

Much isolation, from the isolation of almost every basic organization of associated labor to the isolation of our so-called large systems, from the creation of a series of monopolies in economic branches and territories on our market to the behavior of republics and provinces that are working for our so-called national capital resources, much of this stems from this autarchy, Suvar said.

We find ourselves in a great crisis from which we cannot extricate ourselves overnight, Suvar warned, mentioning certain "deceptive statements by important individuals saying that we can get out of the crisis in a year." Many of the statements by allegedly great experts are just an act of pulling the wool over people's eyes by offering us their ideas for solving everything, even at the expense of returning to the methods and solutions for development from earlier stages of capitalism.

The most important issue in our development is how we can create accumulation, what to invest in, and how to invest. Today, stated Suvar, we are almost left with no accumulation. The proportion of investments in the social product is already verging on noninvestment. In the country, 28,000 various facilities are still being built, but the question is what, from all this, is profitable and what will not make losses.

Suvar noted that it is possible to achieve accumulation by restructuring the economy and by boosting profitable, accumulation-creating and export-oriented production and products, but in practice all production is being saved. Behind every investment there stands a blessing, and also pressure and control by some sociopolitical community. Resources are still to a large extent being supplied from fictitious sources.

There are numerous pleas for the private sector, for the growth of small businesses, for the mobilization of the resources of citizens and workers. However, these are still more in the nature of stories than measures of practical policy. But these resources should be mobilized, Stipe Suvar continued.

Our own specific new economic policy is necessary if we are to increase economic wealth and to enable people as much as possible to live from the results of their work, and to earn a great deal both in the private sector and in all the activities of small businesses. This cannot be dangerous for socialism, underlined Suvar.

In our country today there is a huge outcry against the state and the dogmatic opponents of commodity production. But there are in fact no serious opponents of commodity production and the market. Products are made so that they can be sold both on the domestic and on the foreign markets, and not so that they can be given away or so that bartering or state supply can be practiced. However, the point is that we still have not seriously organized labor and production, ended the regime of state administration of the conditions of economic activity, or affirmed the state's role in supporting the development of production forces, regardless of whether we are speaking about socialism or capitalism.

Stipe Suvar continued his speech by pointing out that great changes in people's consciousness and mood have begun to occur, among the people, the working class, at all levels and in all parts of the country, apart from all differences, various slogans and obvious, increasingly fierce conflicts on the basis of national, republican, and provincial affiliation. The optimistic state of mind has decreased and almost completely faded away, a state of mind that had absolutely dominated since the time of the national liberation war, and that had been to a large extent uncritical and had exaggerated in extolling successes. At the same time, there has been a great increase in a state of mind that is full of disappointments and indignation, that is increasingly expressing an absence of faith in socialism itself and in the path we set out on in the past.

The most aggressive forces of bourgeois destruction, revoking the support of freedom, democracy, the nation, Europe, civilization, and so forth, have in our country won significant platforms from which they wish to impose their world image, Stipe Suvar said. He said that these forces wish to show, particularly to the young generation, that our way and our development in the entire earlier period was vain, ineffective, and that it even constituted regression in civilization.

It is not a question of the outburst of bourgeois criticism being preventable, but what is most worrying is that it has penetrated to a great degree into the ranks of the LC and organized socialist forces and that it has been undermining them. However, responses to the outburst of such criticism are shy and ossified phrases.

In the LC, Suvar says, there is unity in the matter of the preoccupation and wish to get out of the crisis, Suvar continues, but in it, as much as in society as a whole, there are also significant differences and confrontations in both theoretical and practical answers, as well as in attitudes to the very strategy of social development. We must know, Suvar says, that a way out of the crisis is also possible by using means that would not constitute a further development and victory for socialist self-management. Therefore, for a real answer to all questions on the ways and means of getting out of the crisis, of crucial importance is the question: Who is the agent of the process of historical liberation of society's production forces?

The LC must open up new prospects for the development of our society and much more successfully organize and direct the self-managing action of the working class and working people everywhere that self-managing and social decisions are made. If it does not continuously initiate social changes and fight for them in practice, the LC will become a conservative party of the social status quo and of the preservation of the present distribution and interrelation of power between social forces.

In response to the question by veterans and reserve army officers on LCY unity, Stipe Suvar stressed that polycentric etatism had been emerging for some time, and that this exposed individual parts of the LCY, principly all of them, to a real danger of expressing more the interests of "National technobureaucracies" and "national" cultural elites, than the interests of the working class, and thereby of the nation itself.

Democratic centralism, Suvar further stressed, functions to some extent with an emphasis on centralism, up to the level of a republic or province, while at the national level it is very weak. Mostly, everyone is working in their own way, thinking: In "my" republican or provincial LC, the situation is good and democracy is blossoming, while in some others there is Stalinist spirit and practice, and nationalism has penetrated, as well as separatism and unitarism. On this basis there are roll calls, quarrels, and appeals to unity. Of course, it comes to a unity as "we" see it. rather than those there. In essence, pressure is applied on personalities and groups in the federation that under current circumstances they should serve cadres, and what are still bureaucratic monopolies in the republics and provinces, so that there have recently been cases whereby at elections to a federal office, electoral programs must be drawn up that would take into account the interests of the environment from which an individual is coming to the office.

We must engage with these trends. This should not be done through establishing some kind of a centralist organization that is supranational, but throdgh resolutely insisting on program regulations and LCY statute, and eliminating assumptions and behavior that lead to this, Suvar said.

On a question about the role of the federation, Stipe Suvar replied that all the fears about the role of the federation as a state are absurd as well as provincial. Today everyone all over Yugoslavia is making accusations that others, from other republics and nations, are calling out their names, are leveling accusations at them and that they want to destabilize things. However, we may ask ourselves if the extent to which precisely this destabilizes Yugoslavia is not the same as the extent to which it threatens all of us who live in it and will remain, without doubt, together.

We are strong despite all the calamities we have brought upon ourselves and in which we are immersed. This country has the achievements of the revolution, some of its own constants which were created in Tito's time, and the historic recollection of the popular masses yet the people's still have powerful identification with our system of socialist self-management, Stipe Suvar stressed in particular.

Veterans also raised questions about articles in the weekly DANAS, about which Stipe Suvar said that the rights and duties of such an important organ are to treat each public worker equally, and this means critically and without letting up in the slightest. I am not in favor of any kind of variation on court martials or assessments of people on the basis of a sentence out of context, Suvar said. Starting from these assumptions, I have always advocated that political journalism of the highest order must be developed in Croatia and, of course, in Yugoslavia. However, contrary to the general Yugoslav advocacy of civilized dialogue and tolerance in DANAS, texts and qualifications are more and more often appearing that relate to the integrity of the human personality and which in no way can represent a method of discourse in democratic society but tend more toward the crude disqualification of people. Suvar then cited a series of examples from the paper DANAS and pointed out that this weekly really is setting an example in imagining enemies and in this increasingly tends to discover them in other environments, in the leaderships of other republics, and in the leadership of the federation, not being satisfied with frequent attacks on individuals, but generalizing assessments in relation to the whole national and social environment.

I believe, Suvar stated, that DANAS's editorial policy serves the confrontation of Croatia with other environments in Yugoslavia, and even the creation of distrust and prejudice among the Croatian public here toward others, and among others, indeed, distrust of viewpoints and politics in Croatia.

Replying to a question on language, Stipe Suvar recalled the stances of the Croatian LC Central Committee Presidium adopted at the end of 1985 as well as during the debate in 1986 on the realization of these stances on language policy. Suvar recalled that, at the time, the Presidium itself was obliged to advocate, when changes to the Constitution of the SR of Croatia were to be broached, the reexamination of the constitutional provisions on the name of the language, in other words the changing of this provision.

Unfortunately, Suvar says, negative reactions appeared about the initiative that was launched and some "old tones" known from back during the emergence of the so-called declaration on the name and position of the Croatian language in 1967, are also heard. Even the proposal itself is qualified as "monstrous." It was probably reasoned or is reasoned that the implementation of the stances of the Croatian LC Central Committee Presidium would not be adhered to or that they would be implemented only in part and that some would be "skipped over."

At the Croatian LC Central Committee Presidium session of 18 January this year, which I attended, there was discussion of the further promulgation of earlier adopted stances on language policy, in other words, there was an analysis of what has been done so far in this field and what has not. In a very fruitful and well-argued debate, accompanied by a high degree of unity, there was confirmation of the stance about the vital need to change the current constitutional formulation about the name of the language, Stipe Suvar said at the meeting of reserve military officers and the Zagreb Federation of Veteran's Associations, held today in the Yugoslav People's Army Club in Zagreb. [passage omitted]

Bihac Presidium Discusses Economic Situation

LD222329 Belgrade TANJUG Domestic Service in Serbo-Croatian 1750 GMT 22 Jan 88

[Excerpt] Bihac, 22 Jan (TANJUG)—The Presidium of the Basic Chamber of Economy in Bihac met today to discuss the exceptionally difficult situation affecting the local economy because of the payment of 32.8 billion dinars from the account of the former Bihac bank. It rejects the interpretation of the Yugoslav State Accountancy Service [SDK] that this was done legally. As a result of these payments the economy of this region has remained virtually without any working capital. This poses the threat of complete bankruptcy to local organizations of associated labor which have no connection whatsoever with Agrokomerc, except that they too deposited their assets in the former Bihac Bank.

The Bihac businessmen submit the following arguments to explain why they are not accepting the interpretations of the Yugoslav SDK: The payments suited one set of creditors to the detriment of other creditors of the former bank; their claims—thanks to the interpretation of the Yugoslav SDK—were submitted also by some creditors who in law were the guarantors for the business operations of the former Bihac Bank, such as the Yugoslav National Bank; furthermore, payments were made to the detriment, that is to say from the available assets of the depositors which by law are not guarantors for the business operations of the bank. [passage omitted]

Krunic, Others Attend Commemorative Meeting

LD191819 Belgrade TANJUG Domestic Service in Serbo-Croatian 1229 GMT 19 Jan 88

[Excerpts] Belgrade, 19 Jan (TANJUG)—A commemorative meeting of the Federal Secretariat for National Defense was held today in the Yugoslav People's Army Club in Belgrade in connection with the death of retired Colonel General Dane Cuic, a 1941 partisan veteran. [passage omitted]

Members of his family, fellow veterans, and comrades; Bosko Krunic, president of the LCY Central Committee Presidium; Nikola Ljubicic, member of the SFRY Presidency; Admiral of the Fleet Branko Mamula, federal secretary for national defence; senior military officers and representatives of the organs and organisations of the federation, the republics, provinces, his birth place, and the capital were present at the commemorative meeting.

Two Earthquakes Registered in SFRY

LD252144 Blegrade TANJUG Domestic Service in Serbo-Croatian 2104 GMT 21 Jan 88

[Text] Titograd, 25 Jan (TANJUG)—This evening at around 2028 [1928 GMT], the Republican Seismological Institute in Titograd registered a strong earthquake in the area of Miksic. At the epicenter, the intensity of this earthquake was 5.5 degrees on the Mercalli scale and it caused real panic in the town. Telex and telephone lines between Titograd and Niksic are down. At 2102, 30 minutes after that earthquake about 15 km south of Metkovic near Neum, an earthquake was registered measuring 5.5 degrees on the Mercalli scale. The quake caused panic in Metkovic and Neum.

TANJUG Notes Reagan's State of Union Address

LD260955 Belgrade TANJUG in English 0031 GMT 26 Jan 88

[Text] Washington, Jan 26 (TANJUG)—U.S. President Ronald Reagan assessed that the United States in the past seven years of his presidency has restored the reputation which was shaken before he took office. In his State of the Union address at a joint session of Congress last night, Reagan said the most important achievements of his administration were the longest economic expansion in a single peacetime period in the country's history, the historic breakthrough in understanding with the Soviet Union in the field of arms control, and at the same time, expressed satisfaction with the building up of the U.S. Armed Forces on which, according to some estimates, 2,000 billion dollars have been spent so far.

As expected, the U.S. President urged further development of the Strategic Defence Initiative (SDI), better known as Star Wars. He described the anti-ballistic missile space defence system as an exclusively defensive one. Our efforts are to offer future generations what we never had—a future without nuclear danger...reduction of strategic defence offensive weapons is one step, and SDI the second, Reagan said. He expressed optimism about prospects for the U.S. and the Soviet Union signing at their forthcoming summit in Moscow a treaty that would reduce their strategic nuclear arms by half.

There was major interest in what President Reagan would say concerning Nicaragua, because it would be an indication of the aid he would ask Congress to grant to the Contras. The issue is due before Congress in a few days. Although he reiterated already known stands, it is believed that Reagan would ask Congress to grant funds for military aid which would be delivered to the Contras only if there was a halt in the peace process. Such an approach to the problem most probably results from the

awareness that at this time, with concessions Managua has already made or announced it would make, Congress would not endorse any more ambitious demand by the Administration, anyway.

Reagan did not dwell too much on the difficulties of the present administration or his personal ones. It is well known that the past year was marked by the Irangate affair, which contributed much to the U.S. administration's loss of reputation and difficulties in its functioning.

These troubles were pushed to the background after last December's summit between President Reagan and Soviet Party leader Mikhail Gorbachev, which was assessed both in the U.S. and the world as their most successful meeting.

Mikulic Meets Italian Delegation From Istria

LD251814 Belgrade TANJUG Domestic Service in Serbo-Croatian 1541 GMT 25 Jan 88

[Text] Belgrade, 25 Jan (TANJUG)—Branko Mikulic, the FEC President, today received in the palace of the Federation the Union of Italians from Istria and Rijeka, which consisted of Silvano Sau, the president of the union, and members Leo Fusili, Djankarlo Muzic, and Irena Mestrovic.

Representatives of the union of Italians, it was announced, familiarized the FEC President with some current questions of the position of the Italian nationality in Yugoslavia and with the work of the union. They mentioned that the union was created in 1944, during the national liberation struggle and that Italians in Yugoslavia, both then and later, opted of their own volition to be citizens of Yugoslavia, to live and work together with the other peoples of the SFRY, to build up brotherhood and unity, and to fight for the development and prosperity of the common homeland.

Although it cannot be said that Italians in Yugoslavia are unequal in relation to other nations and nationalities, there are certain problems, the solution of which would improve the position of the Italian nationality in Yugoslavia, it was said in the talks. Thus, for example, activists in the Union of Italians from Istria and Rijeka work on a voluntary basis but despite this problems arise over the functioning of the most important cultural institutions of the Italian nationality, above all because of the lack of financial resources. It would be essential to secure these resources so as to prevent a stagnation in the activities of the union.

The delegation of the union informed the FEC president about problems connected with carrying out tuition in Italian for members of the Italian nationality, about the unequal treatment of the Italian nationality in individual municipalities, and about failings noticed in connection with the last population census. They believe that a federal law on the use of the languages of the nationalities should not be adopted and that this matter should be solved on a case-by-case basis.

The representatives of the union expressed the expectation that soon it will be possible with the use of a specially erected television boosting station, to receive programs on Koper television in Italian in all areas where the Italian nationality live.

Branko Mikulic, the FEC president, stressed that, according to our constitutional solutions, the nations and nationalities are equal in their position, rights, and duties and that no nationality in Yugoslavia is treated less favorably than others. If there are excessive cases of unequal treatment, all the state and political factors in our country ought to fight against them.

Sectarianism toward people because of their affiliation with another nation or nationality should not be permitted, and the realization of the constitutional and legal rights of each individual, as well as nation and nationality as a whole, must be insisted on. In a democratic community such as Yugoslavia, the existence of several nations and nationalities and the realization of all of their rights is a source of wealth for the country to which diligent attention must be paid.

Branko Mikulic said that the Yugoslav Assembly would make its views known on the proposal for adopting the federal law on the use of the languages of the nationalities. If such a law is adopted, attention would certainly have to be paid to the position of the nationalities and their specific characteristics.

Since the material questions in connection with the position of the nationalities are the responsibility of the socialist republics and socialist autonomous provinces and bearing in mind the material situation in which the whole country finds itself, the FEC president expressed the view that the question of material support for the activities of the union should be resolved in the framework of the possibilities available and taking account of the objective needs of the Italian nationality.

Mikulic stated that when the next population census is carried out, a mechanism should be envisaged which would take account of the problems mentioned by the representatives of the union of Italians.

Finally, the FEC president stressed that the nationalities and national minorities are a significant factor in the strengthening of cooperation, friendship, and understanding between neighboring countries, and their position must be given due attention.

Mojsov Sends Message to Iranian President

LD232241 Belgrade TANJUG Domestic Service in Serbo-Croatian 1642 GMT 23 Jan 88

[Text] Tehran, 23 Jan (TANJUG)—Lazar Mojsov, president of the SFRY Presidency, has sent a written message to Iranian President Hojjat ol-Eslam val Moslemin Haj Seyyed 'Ali Khamene'i. The message was handed to 'Ali Akbar Velayati, the Iranian minister of foreign affairs, today by Mirko Zaric, the Yugoslav ambassador in Tehran.

Loncar Holds Talks with Iran's Velayati

LD251639 Belgrade TANJUG Domestic Service in Serbo-Croatian 1517 GMT 25 Jan 88

[Text] Belgrade, 25 Jan (TANJUG)—Deputy Federal Secretary for Foreign Affairs Budimir Loncar, in his role as acting federal secretary for foreign affairs, had talks with Iranian Foreign Minister 'Ali Akbar Velayati who was making a stopover in Belgrade.

In an atmosphere of mutual and friendly respect, they considered issues and problems in the sphere of bilateral relations and international cooperation and, above all, activities for the implementation of UN Security Council Resolution 598, as well as the future activities of countries in the Nonaligned Movement.